ASX RELEASE

MONTEZUMA
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ASX CODE: MZM
ISSUED SHARES: 43.03M
52 WEEK HIGH: $0.95
52 WEEK LOW: $0.18

CONTACT:
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BOARD:
Denis O'Meara: Chairman
Justin Brown: MD
John Ribbons: Non-Exec

KEY PROJECTS:

BUTCHERBIRD (100%)
Manganese, Copper

PEAK HILL (85-100%)
Gold

DURACK (85%)
Gold, 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

PRIMARY COPPER/COBALT SULPHIDE MINERALISATION CONFIRMED AT BUTCHERBIRD

- Partial assays received for hole 10BBC14 confirm primary copper mineralisation with a strong cobalt and nickel association.
- Partial results received to date **include 3m @ 1.94% copper 0.12% cobalt and 0.15% nickel** within a broader zone of 10m @ 0.77% copper, 570ppm cobalt and 710ppm nickel .
- Mineralisation occurs over a downhole intersection of approximately 40m and ends in mineralisation.
- Assays still pending from copper mineralised alteration between 155m and 180m downhole.

The Company is pleased to advise that partial assays have been received for the second round of RC drilling at the Butcherbird Copper Prospect. The drilling successfully intersected visible primary copper sulphide mineralisation and this has been confirmed by the partial assay results received to date.

Drilling was undertaken to follow up the previous intersection of **4m @ 6.97% Cu** and 566ppm Co in hole 10BBC01.

The mineralisation is contained within an alteration envelope comprising pervasive silica replacement of the country rock as well as extensive quartz/carbonate veining. The mineralisation continues to the end of the hole as the rig on site did not have the capacity to continue drilling with its available equipment.

The mineralisation is associated with a dolerite dyke/sill intrusive complex which intersects a regional scale shear zone evident in the aeromagnetic data over a strike length of at least 4km. Coincident to the aeromagnetic anomaly, a linear conductivity low can be seen in the recently acquired EM data, which is potentially mapping the alteration zone associated with the copper mineralisation. The dolerites are known to be regionally extensive, and are observed to contain trace amounts of 1-3mm wide yellow sulphide blebs. This represents a potential source for the copper mineralisation within the shear system.

Note: *All thicknesses are quoted as downhole widths, No definitive estimate of the true width of the mineralisation can be with the available information.*

Significant nickel (Ni) and cobalt (Co) values occur in association with the copper sulphide mineralisation, confirming the polymetallic nature of the mineralised system. The cobalt values in particular are of a commercially interesting tenor.

The partial assays received to date confirm the Company's view that the intersection in hole 10BBC14 **represents a potentially significant new discovery** and while the commerciality or otherwise of the mineralisation can only be determined through further exploration, follow up work will be undertaken as a matter of priority for the Company.

Hole ID	From	To	Cu %	Ni ppm	Pb ppm	Zn ppm	Ag ppm	Co ppm	Sb ppm	Fe %	Cd ppm
10BBC09	101	102	0.36	189	546	117	30	462	635	6.8	1
	102	103	0.64	252	175	112	8	254	225	4.0	1
	103	104	0.38	241	124	134	6	164	230	3.3	1
	104	105	0.15	160	128	74	4	125	155	5.1	1
10BBC14	100	180	Assays Pending								
	180	181	0.15	325	197	280	1	226	53	1.7	1
	181	182	0.23	351	17	24	2	263	49	1.7	1
	182	183	0.23	286	31	62	3	183	96	3.4	1
	183	184	0.23	314	42	55	1	164	183	1.9	1
	184	185	0.38	761	15	22	2	622	66	1.9	1
	185	186	**1.28**	1477	35	67	2	**1100**	484	4.2	1
	186	187	**1.30**	1379	99	193	4	**1150**	855	5.2	1
	187	188	**3.25**	1694	61	119	6	**1400**	725	4.4	1
	188	189	0.49	392	57	33	1	319	118	3.9	1
	189	190	0.12	127	116	39	3	278	39	5.3	1

Table 1: Significant assay from partial results (>0.1% Cu). All assays are by mixed acid digest analysis, with AAS finish. **Note:** All thicknesses are quoted as downhole widths, No definitive estimate of the true width of the mineralisation can be with the available information.

Hole ID	Easting	Northing	RL (m)	Grid	Depth (m)	Azimuth	Dip
10BBC01	775763.15	7297183.9	609.4	MGA94	50	330	-60
10BBC02	775777.22	7297156.53	609.2	MGA94	155	330	-60
10BBC03	775820.07	7297208.67	609.1	MGA94	50	330	-60
10BBC05	775677.08	7297137.12	609.7	MGA94	60	330	-60
10BBC06	775686.54	7297113.34	609.6	MGA94	155	330	-60
10BBC07	775718.32	7297166.19	609.8	MGA94	40	330	-60
10BBC08	775734.78	7297142.06	609.6	MGA94	64	330	-60
10BBC09	775798.11	7297119.43	609.3	MGA94	124	330	-60
10BBC10	775791.96	7297205.51	609.5	MGA94	40	330	-60
10BBC11	775804.37	7297179.59	609.3	MGA94	58	330	-60
10BBC12	775622.96	7297124.77	610.1	MGA94	34	330	-60
10BBC13	775638.37	7297094.86	610	MGA94	58	330	-60
10BBC14	775816.72	7297083.19	609.2	MGA94	196	330	-60

Table 2: Butcherbird Copper drill hole collar details. All collars are surveyed using DGPS.

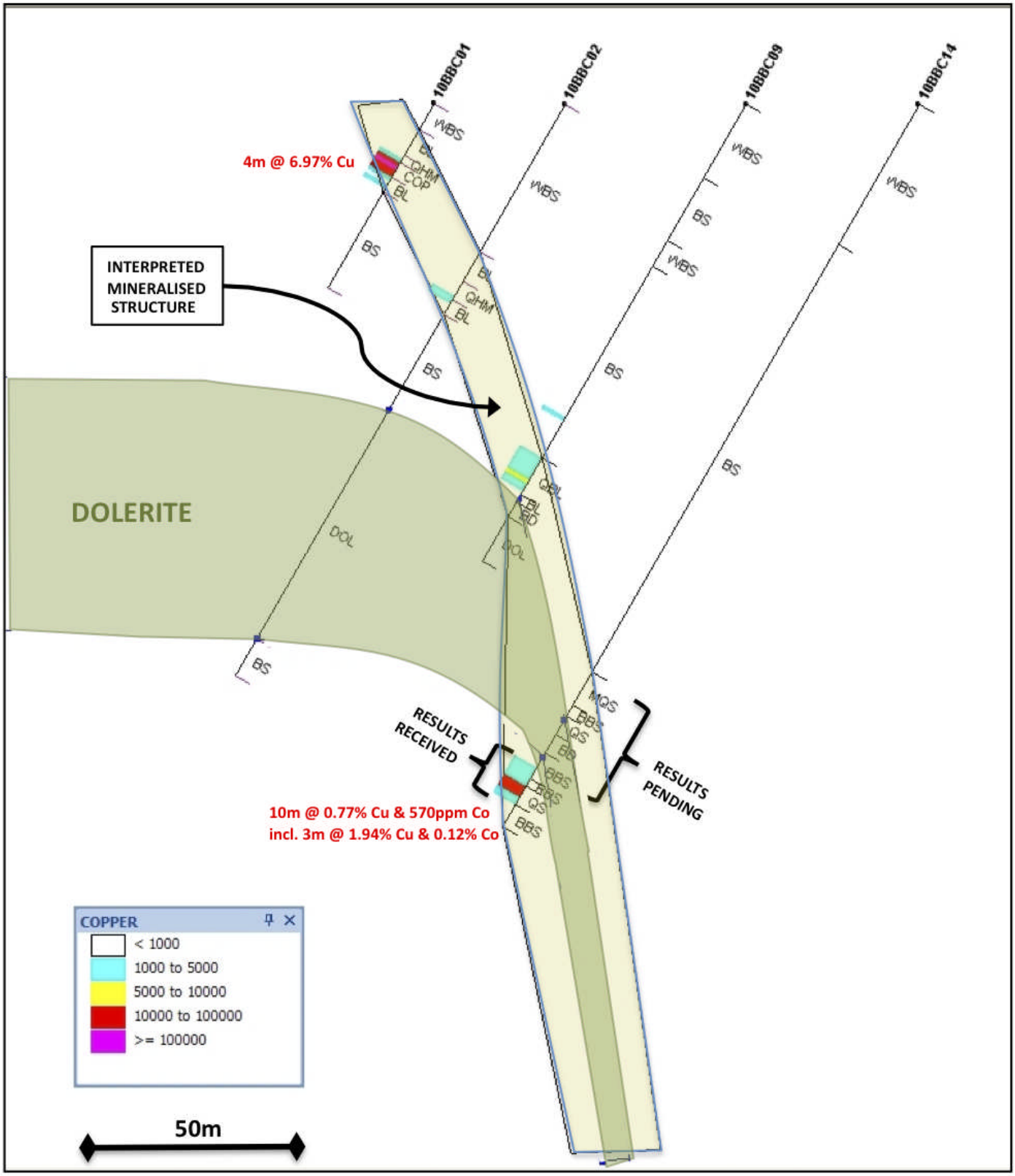

Figure 1: Schematic cross section through copper mineralised zone at the Butcherbird Copper Prospect showing the relationship between the dolerite intrusive and interpreted mineralised shear system.

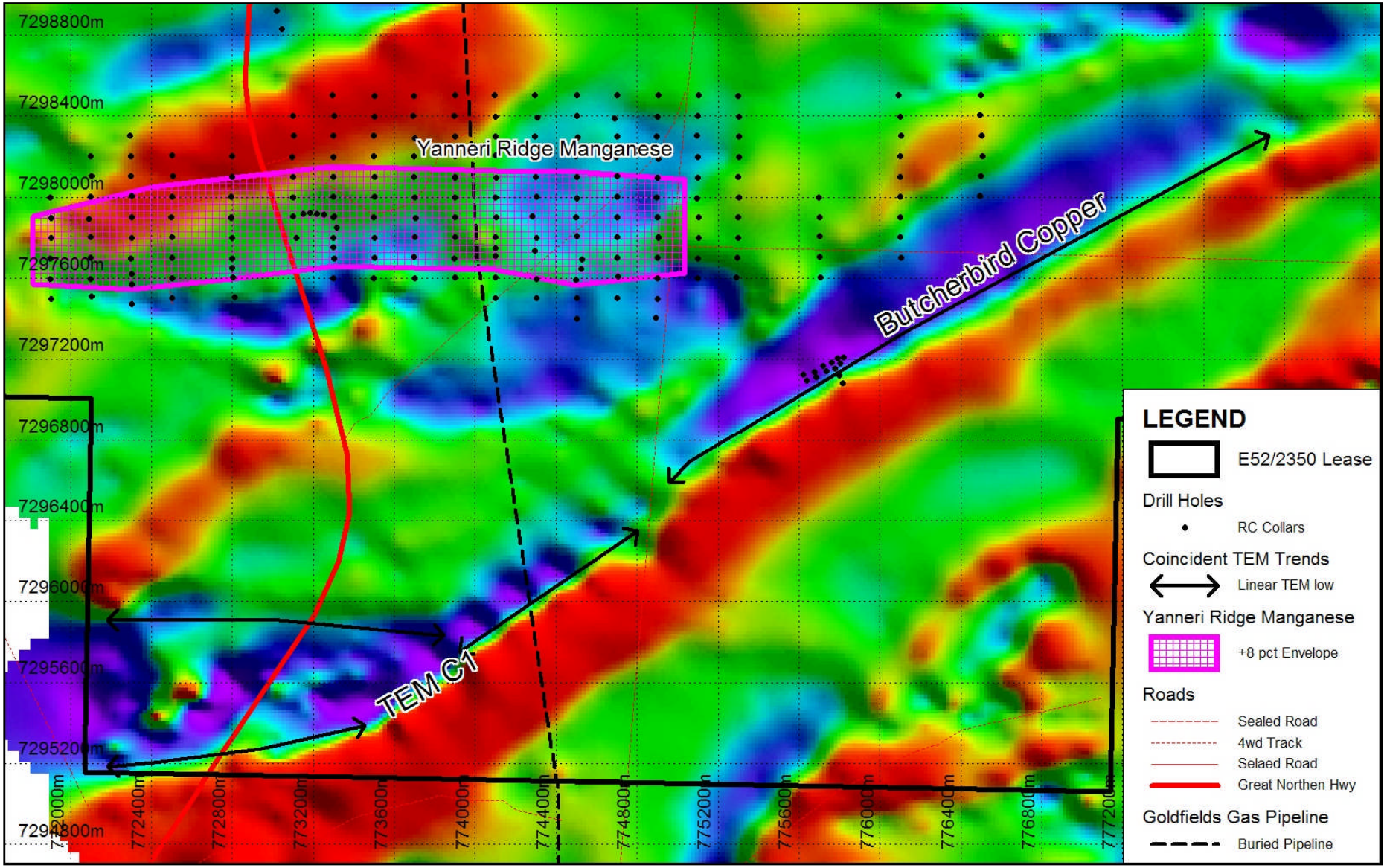

Figure 2: Butcherbird Copper Prospect, showing drillhole collars and target zones over background TMI aeromagnetic data. Coincident EM anomalies are shown, potentially mapping the alteration halo around the copper mineralisation.

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.