



1 March 2018

MINING LEASE APPLICATION LODGED FOR BUTCHERBIRD

HIGHLIGHTS

- **Mining Lease Application** submitted covering key portions of the Butcherbird Manganese resource.
- **Yanneri Ridge** resource to be initial focus for the proposed mining operations currently the subject of a **Scoping Study**¹.
- **Scoping Study** on schedule for completion mid-April 2018.

In early 2018, Montezuma Mining Company Ltd (“Montezuma” or “Company”) advised that it had initiated a Scoping Study to review the potential for the Butcherbird Project to produce a range of high value manganese products on a commercial scale. The Study will assess the options for project development and provide an assessment of the potential capital and operating cost requirements for project development.

The Company is working to expedite this process to take advantage of strong market conditions around commodity markets, and as part of the integrated activities required to progress the project, a **Mining Lease Application** has been submitted that will cover the Yanneri Ridge and Coodamudgi Manganese deposits.

The Yanneri Ridge Manganese deposit has been identified during historical resource definition work and a more recent mining study as the optimum location to commence mining operations to produce high purity battery grade manganese via the Company’s innovative hydrometallurgical process developed in conjunction with CSIRO.



LARGE MANGANESE RESOURCE



INNOVATIVE PROCESSING



HIGH PURITY MANGANESE PRODUCTS

¹ Reference: Company ASX Announcement dated 16 January 2018.

ABOUT MONTEZUMA MINING

Montezuma Mining Company Ltd (ASX: MZM) is a diversified explorer focused on manganese, cobalt, lithium and gold. The Company’s objective is to achieve returns for shareholders through selected strategic acquisitions and targeted exploration.

Montezuma is currently working to develop a flowsheet to produce high purity manganese products for use in the Li-Ion battery industry.

Montezuma also has 100% interests in the Holleton and Green Dam Gold Projects, the Pinnacles Cobalt Project and the Lake Johnson Lithium Project, all in Western Australia.

MARKET DATA

ASX code:	MZM
Share price:	\$0.30
Shares on issue:	83.5M
Market capitalisation:	\$25.1M
Cash (at 31 Dec):	~\$3.3M
Listed Investments (at 31 Dec):	~\$7.1M

BOARD AND MANAGEMENT

Chairman	Seamus Cornelius
Executive Director	Justin Brown
Non-Executive Director	John Ribbons
Exploration Manager	Dave O’Neill



Company information, ASX announcements, investor presentations, corporate videos and other investor material on the Company’s projects can be viewed at www.montezuma.com.au

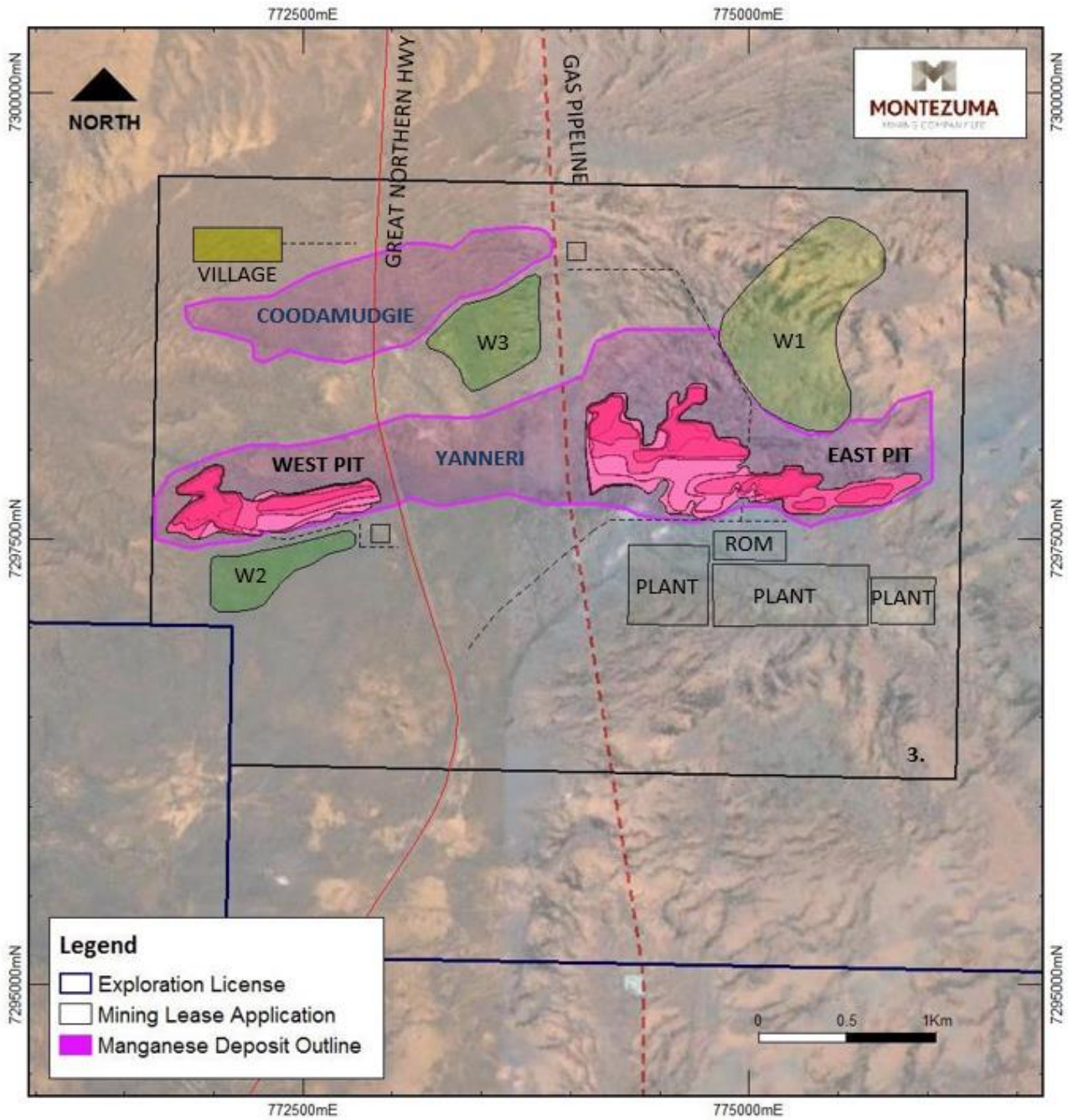


Figure 1: Yanneri Ridge Mining Lease Application (MLA) and proposed locations of key infrastructure including preliminary pit optimisations, waste landforms and plant and associated installations.

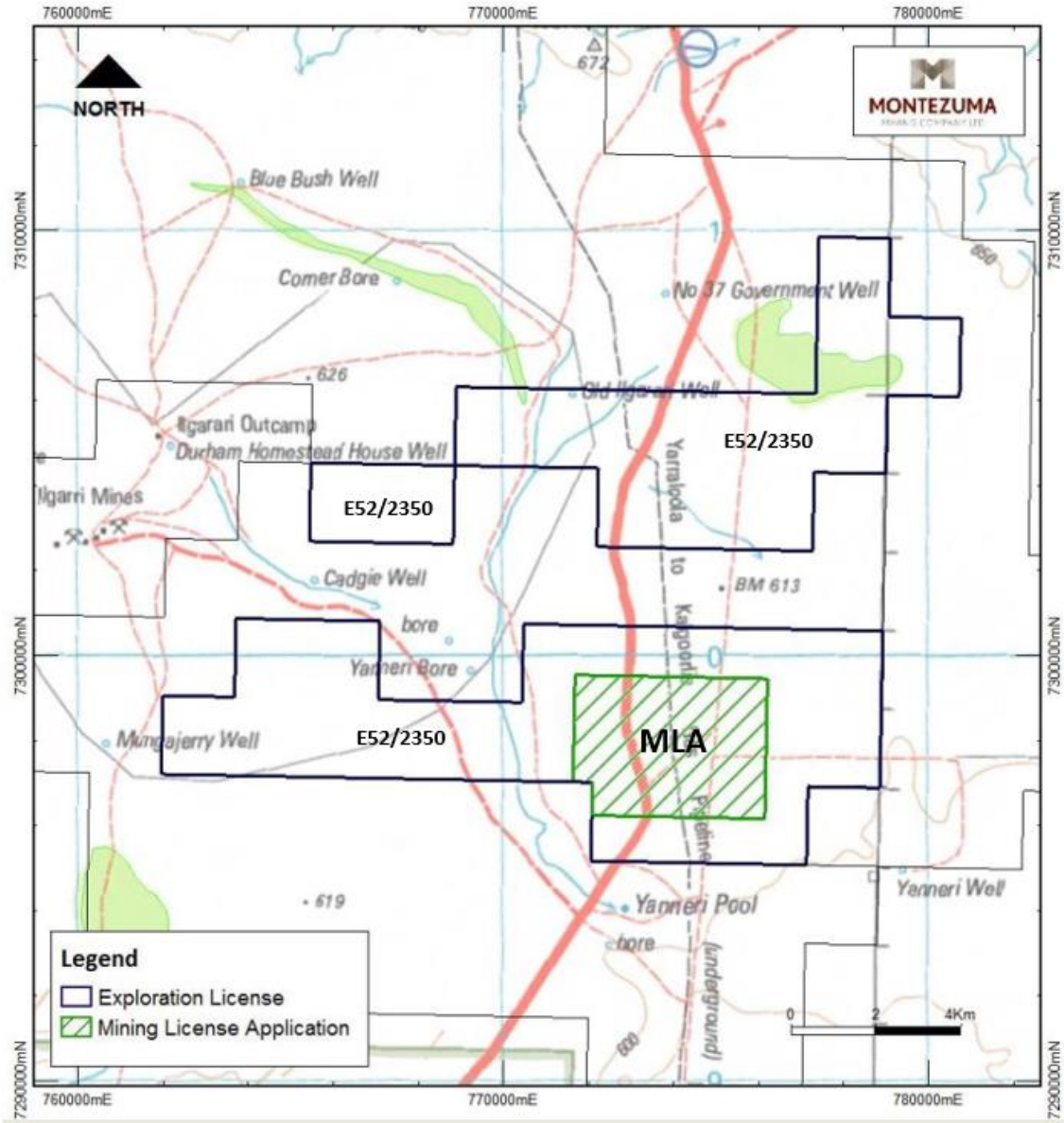
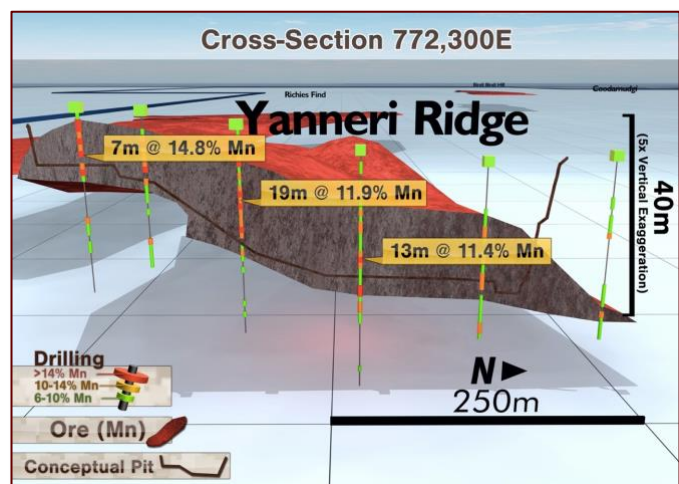


Figure 2: Yanneri Ridge Mining Lease Application (MLA) location overlaying Exploration License E52/2350

ABOUT THE BUTCHERBIRD PROJECT

Montezuma’s 100% owned Butcherbird Manganese Project host Australia’s largest onshore manganese resource in multiple outcropping deposits.

The work that has been completed by CSIRO has successfully developed a hydrometallurgical flowsheet which can unlock the large volume of manganese metal contained within these deposits and positions Montezuma to be a producer of **high purity, high value manganese products**.



Prospect	Tonnes (Mt)	Mn (%)	SiO ₂ (%)	Fe (%)	P ₂ O ₅ (%)	Al ₂ O ₃ (%)
Yanneri Ridge						
Inferred	48.0	10.7	43.0	11.1	0.262	10.7
Indicated	22.5	12.0	43.8	11.6	0.297	10.6
Additional Deposits						
Inferred	110.3	10.6	44.4	11.9	0.3	11.0
Total	180.8	10.8	43.9	11.7	0.3	10.9

Table 1. JORC 2012 Butcherbird Mineral Resource Estimate²

There are no material changes to the assumptions used to provide the JORC 2012 Butcherbird Resource Estimate.

YANNERI RIDGE MINING LEASE APPLICATION

The initial Mining Lease Application is planned to cover the Yanneri Ridge and Coodamudgi manganese deposits located in the southern portion of the Butcherbird Project. The manganese resources at the Butcherbird Project were recently upgraded to the Inferred category under JORC 2012 compliance, with two areas of Yanneri Ridge also being classified as Indicated Resources (see above Table 1.). With the new classification, the opportunity was then taken to complete an internal mining study with the purpose of defining higher grade resources and a mining schedule to support the production of high purity manganese products from the Yanneri Ridge area.

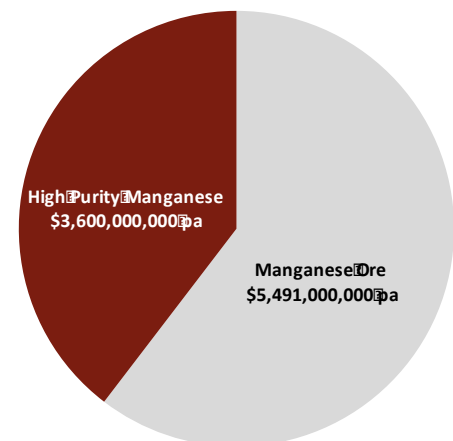
The Yanneri Ridge and Coodamudgi deposits are ideally located close to infrastructure and have favourable geometry and topography to optimise the start-up mining operations. The Mining Lease Application will contain all critical mining and production infrastructure and will support a >20 year mine life. Exploration work will also continue within the broader Exploration License areas with a focus on further resource definition, water resourcing and testing conceptual targets for new sources of high grade manganese ore.

THE MINING LEASE APPLICATION CONFIRMS MONTEZUMA'S COMMITMENT TO PROGRESSING THE PROJECT AND THE STRONG BELIEF IN ITS ABILITY TO DELIVER PREMIUM MANGANESE PRODUCTS FOR A NUMBER OF MARKETS. ABOUT HIGH PURITY MANGANESE

Whilst high purity manganese makes up only 10% of the manganese market by volume, **it accounts for an estimated 40% of the total value** in sales of the market³.

The production of high purity products from Butcherbird ores allows the Company to initiate commercial studies into becoming a producer of high value products rather than attempting to compete in the traditional bulk commodity manganese markets. This represents a transition from a large tonnage, low margin business opportunity, to a lower risk **low tonnage high margin business** in a strongly growing market.

The flowsheet developed for Butcherbird is unique in that it is conducted at **atmospheric pressure, ambient temperature and at a coarse grind size**, all of which reduce costs over traditional approaches.



² Reference: Montezuma Mining Company Ltd ASX release dated 12 October 2017

³ UBS Global Research May 2017

Assumes EMM price of USD\$2,000/t Ref: <https://www.metalbulletin.com/My-price-book.html?price=34473>

Assumes manganese price of USD\$3.23/dmtu Ref: <https://www.south32.net/docs/default-source/all-financial-results/reports-and-presentations/mamatwan-site-tour-2016.pdf>

FOR MORE INFORMATION...

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The information in this report that relates to Exploration Results, Exploration Targets, Mineral Resources and Mineral Reserves is based on information compiled by Mr David O'Neill who is a member of the Australasian Institute of Mining and Metallurgy. At the time that the Exploration Results, Exploration Targets, Mineral Resources and Mineral Reserves were compiled, Mr O'Neill was an employee of Montezuma Mining Company Ltd. Mr O'Neill 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 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr O'Neill consents to the inclusion of this information in the form and context in which it appears in this report

Please note with regard to exploration targets, 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.