

5 November 2008

ASX CODE: MZM
ISSUED SHARES: 41.69M
52 WEEK HIGH: \$0.36
52 WEEK LOW: \$0.02

CONTACT:

JUSTIN BROWN
Managing Director
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BOARD:

Denis O'Meara: Chairman
Justin Brown: MD
Terry Grammer: Non-Exec
Ian Cornelius: Non-Exec

KEY PROJECTS:

PEAK HILL (100%)
Gold

MT PADBURY (100%)
Gold, Manganese, Iron

CALLAWA (100%)
Copper, Gold

TALGA (90%)
Gold, VMS

ROBINSON RANGE (100%)
Uranium

KEY SHARE POSITIONS:

AUVEX RESOURCES LTD
10,000,000 FPO Shares

BUXTON RESOURCES LTD
2,000,000 FPO Shares

IRON ORE SALE AGREEMENT UPDATE

- All Conditions Precedent for the initial \$1M payment under the Sale Agreement have now been satisfied.
- Initial \$1M cash payment is payable on or before 11 November 2008.

Montezuma is pleased to advise that all Conditions Precedent for the initial \$1M payment have now been satisfied in relation to the sale of the Iron Ore Rights within the Mt Padbury Project to Midwest Corporation Limited.

Under the terms of the sale, the initial \$1M cash payment is payable by 11 November 2008 at the latest.

On satisfaction or waiver of a second condition precedent and certain condition subsequent, Montezuma will receive a further payment of \$1M cash at completion. It is anticipated that the further condition precedent and the condition subsequent will be satisfied in the first half of 2009.

Midwest will commence exploration as soon as practicable. If Midwest defines a JORC compliant iron ore resource in excess of 10M tonnes grading over 50% Fe, Midwest will make a third payment of \$4M cash to Montezuma.

Montezuma will receive a 0.5% royalty on the gross proceeds of the sale of all iron ore grading between 30-50% Fe and a 1% royalty on the gross proceeds of the sale of all iron ore grading over 50%, the latter being first subject to the definition of a 10M tonne resource grading over 50% Fe.

This milestone is an important step in providing the Company with working capital to fund our ongoing exploration work at the Peak Hill Gold Project (MZM 100%).

Through the royalty the Company retains exposure to iron ore potential should Midwest be successful in commencing a mining operation on the Mt Padbury project.

More Information**Justin Brown**

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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 "Australian 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.