

27 APRIL 2016

YAMARNA DRILLING RE-COMMENCES

- Next phase of work comprising approximately **7,000 metres** of geochemical aircore drilling has commenced.
- Programme to extend the kilometre scale, high tenor (>0.5 g/t Au) geochemical anomaly within the Jatz strike corridor.
- Basement gold values **up to 19.1 g/t¹** enhance the potential of the Jatz prospect to host significant high grade mesothermal gold.
- Broader spaced regional drilling to test the approximately 5km X 2km package of Archean greenstones to the west and north of Jatz.

Montezuma Mining Company Ltd ("Montezuma" or "Company") is pleased to announce that drilling has recommenced at the Company's 100% owned Yamarna Project where recent RC drilling returned multiple ore grade intercepts including high grades **up to 19.1 g/t Au**.

Follow up geochemical aircore drilling has now delineated a kilometre scale bedrock anomaly over 0.5 g/t Au, open to the north and west. This is a highly significant target and additional drilling as part of the current phase will test the strike extent of this large scale anomaly which already has demonstrated the potential to host high grade gold mineralisation.

The drilling to date at Jatz has tested only a very small part of what is now interpreted as a target corridor approximately 5km in strike length and up to 2km in width. The current round of drilling will provide broad spaced regional baseline geochemical data for the remainder of the Jatz corridor and aims to generate additional targets.

It is important to note that the only vector used to generate targets to date has been regional soil geochemical sampling which can be neutralised by cover sequences. A better understanding of the geology at Yamarna from previous phases of work has confirmed multiple additional geological/structural targets which remain untested.



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.

Montezuma Mining has 100% interests in the Yamarna Gold Project in the Yamarna Greenstone Belt, Western Australia and the Butcherbird Manganese/Copper Project in the Murchison region of Western Australia

MARKET DATA

ASX code:	MZM
Share price:	\$0.19
Shares on issue:	70,464,350
Market capitalisation:	\$13.4M
Cash (31 December 2015):	\$5.7M

BOARD AND MANAGEMENT

Chairman	Seamus Cornelius
Executive Director	Justin Brown
Non-Executive Director	John Ribbons
Exploration Manager	Brad Drabsch



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

¹ http://www.montezumamining.com.au/images/uploads/151202_Yamarna_RC_Drilling_-_High_Grade_Gold_Confirmed.pdf

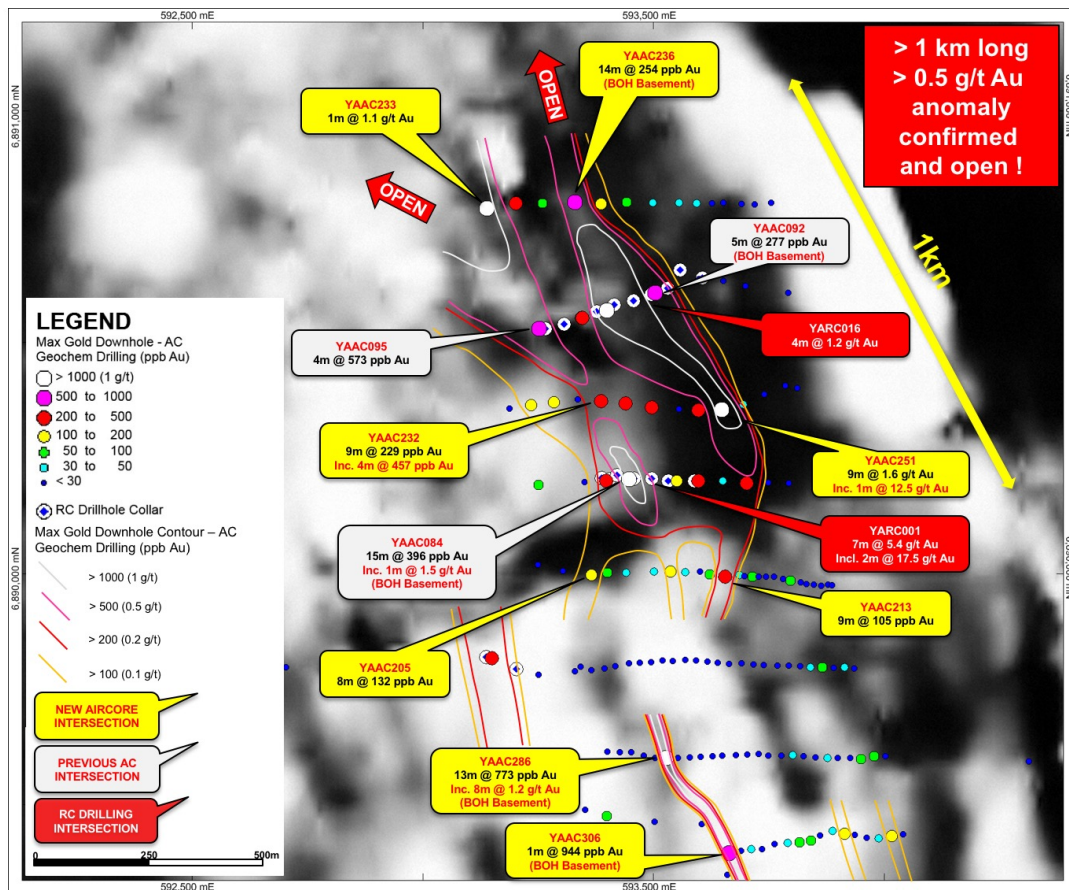


Figure 1: Collar locations and grade contours over aeromagnetics . Drilling to extend Jatz to the north and west.

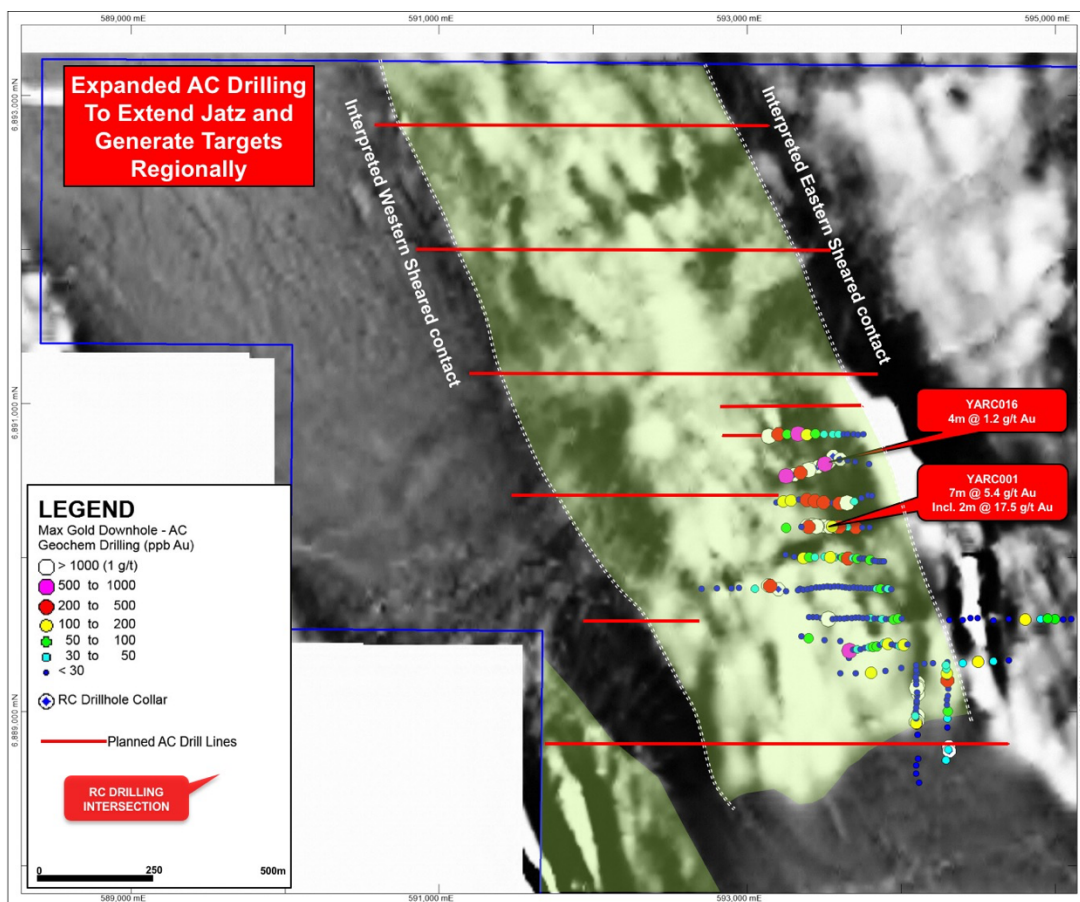


Figure 2: Regional aircord grochemical drilling to test approximately 5km X 2km greenstone corridor.

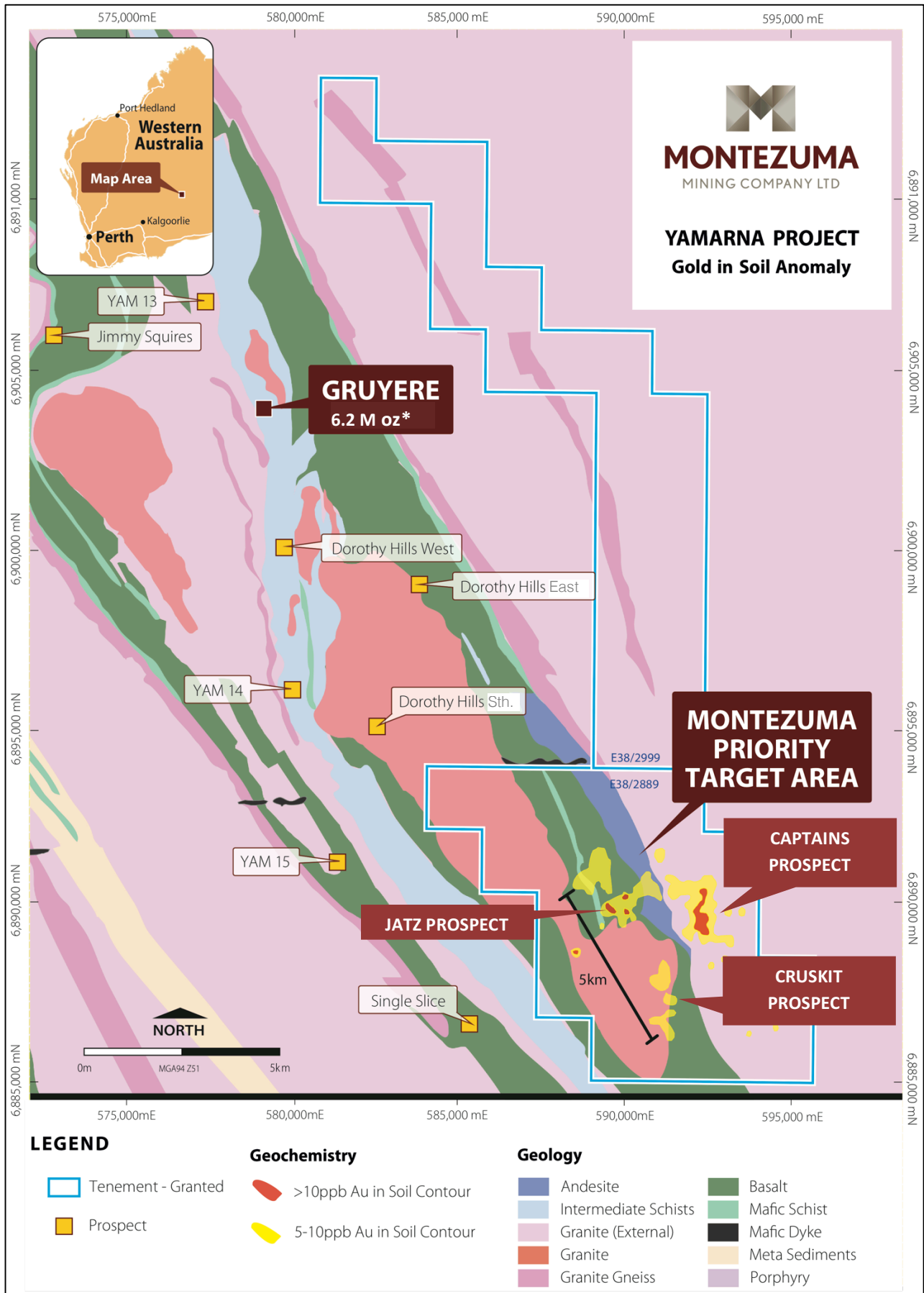


Figure 3: Gold in soil anomalies generated by Montezuma's recently completed soil sampling programme over interpreted basement geology. * <http://www.goldroad.com.au/reports/GruyereMineralResourceUpdate-April2016-FINAL.pdf>

FOR MORE INFORMATION...

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The information in this report that relates to Exploration Results, Mineral Resources and Mineral Reserves is based on information compiled by Mr Bradley Drabsch who is a member of the Australasian Institute of Geoscientists. At the time that the Exploration Results, Mineral Resources and Mineral Reserves were compiled, Mr Drabsch was an employee of Montezuma Mining Company Ltd. Mr Drabsch 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 Drabsch 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.