

ASX RELEASE



MONTEZUMA MINING COMPANY LTD

PO Box 910 West Perth WA 6872
31 Ventnor Ave, West Perth WA 6005
Telephone +61 8 6315 1400
Facsimile +61 8 9486 7093
info@montezumamining.com.au
www.montezumamining.com.au

20 January 2011

ASX CODE: MZM

ISSUED SHARES: 43.03M

52 WEEK HIGH: \$0.95

52 WEEK LOW: \$0.18

CONTACT:

JUSTIN BROWN

Managing Director

+61 438 745 675

BOARD:

Denis O'Meara: Chairman

Justin Brown: MD

John Ribbons: Non-Exec

KEY PROJECTS:

BUTCHERBIRD (100%)
Manganese, Copper

PEAK HILL (85-100%)
Gold

DURACK (earning 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

MAIDEN MINERAL RESOURCE CALCULATION FOR YANNERI RIDGE DEPOSIT COMPLETED

- Inferred Maiden Mineral Resource Estimate for Yanneri Ridge of **64.7 Million Tonnes @ 11.2% Mn** at an 8% Mn cut-off.
- Exceeds the expected tonnage and falls within the expected grade range based on the prevailing Exploration Target for the Yanneri Ridge deposit.
- Resource calculation covers only one of the six deposits discovered to date.
- Scoping study to commence on receipt of pending metallurgical analyses.

The Company is pleased to advise that Snowden has completed a maiden Inferred Mineral Resource Estimate for the Yanneri Ridge manganese deposit as follows:

Cut-off	Tonnes (Mt)	Mn (%)	SiO ₂ (%)	Fe (%)	P ₂ O ₅ (%)	Al ₂ O ₃ (%)
8% Mn	64.7	11.2	44.3	11.5	0.28	10.9
10% Mn	48.8	11.8	43.6	11.6	0.28	10.7

The results of preliminary metallurgical test work, as reported previously, indicate a beneficiated manganese product grade in excess of 35% Mn with acceptable levels of Fe, SiO₂, Al₂O₃ and P₂O₅.

Whilst grade continuity and drilling density are adequate to support an Indicated status for the Resource, the Inferred designation has been applied due to the preliminary nature of this beneficiation data. It is anticipated that the results from the more detailed metallurgical test-work currently underway on the recently acquired PQ3 diamond core samples, may support the Mineral Resource being upgraded to Indicated status without further drilling.

The additional metallurgical information will also aid in further understanding the best pathway to commercialising the deposit including establishing appropriate cut-off grades for a revised Mineral Resource Estimate.

19th January 2011

Mr Justin Brown
Managing Director
Montezuma Mining Company Limited
31 Ventnor Avenue
West Perth 6005
Western Australia

Dear Mr Brown

EXECUTIVE SUMMARY

Snowden Mining Industry Consultants ("Snowden") was commissioned by Montezuma Mining Company Limited ("MZM") to complete a resource estimate for the Yanneri Ridge Manganese Deposit within the Butcher Bird Project, is located 120km south of Newman in Western Australia.

The resource estimate (Table 1.1) has been classified in accordance with the JORC (2004) guidelines.

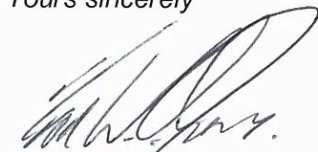
Table 1.1 January 2011 Inferred Mineral Resource Estimate for the Yanneri Ridge Deposit

Cut-off	Tonnes (Mt)	Mn (%)	SiO ₂ (%)	Fe (%)	P ₂ O ₅ (%)	Al ₂ O ₃ (%)
8% Mn	64.7	11.2	44.3	11.5	0.28	10.9
10% Mn	48.8	11.8	43.6	11.6	0.28	10.7

Results of preliminary metallurgy test work have suggested a product can be achieved that is consistent with the specifications of other Australian mines.

The information in this report that related to the Mineral Resource is based on information compiled by Shane Fieldgate under the supervision of Ivor Jones. Mr Fieldgate is a Member of the Australian Institute of Geoscientist (AIG) and the Australasian Institute of Mining and Metallurgy (AusIMM) and is full time employee of Snowden Mining Industry Consultants. Mr Jones is a Fellow the Australasian Institute of Mining and Metallurgy (AusIMM), a Chartered Professional (Geology) and is full a time employee of Snowden Mining Industry Consultants. Mr Jones has sufficient experience that is relevant to the style of mineralisation, type of deposit under consideration and to the activity that 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 Resource and Ore Reserves".

Yours sincerely



Ivor Jones
Group General Manager - Geosciences
Snowden Mining Industry Consultants Pty Ltd

This result in addition to the other deposits discovered to date confirms the Butcherbird Project area as a new manganese province and underpins the Company's confidence in its commercial potential.

Coupled with the potential for further exploration success both in manganese and copper, the Project will be the key focus over the coming months as the Company advances its goal of making the transition from explorer to large scale miner.

Investor Coverage

Recent investor relations, corporate videos and broker/media coverage on the Company's projects can be viewed on the Company's website www.montezumamining.com.au.

About Montezuma Mining Company Ltd

Listed in 2006, Montezuma (ASX: MZM) is a diversified explorer primarily focused on manganese, copper and gold. Montezuma has a 100% interest in the Butcherbird Manganese/Copper Project and an 85-100% interest in the Peak Hill and Durack Gold Projects in the Murchison region of Western Australia.

More Information

Justin Brown

Managing Director

Phone: +61 (8) 6315 1400

Mobile: +61 438 745 675

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.

The information in this report related to the Mineral Resource is based on information compiled by Shane Fieldgate under the supervision of Ivor Jones. Mr Fieldgate is a Member of the Australian Institute of Geoscientists (AIG) and the Australasian Institute of Mining and Metallurgy (AusIMM) and is a full time employee of Snowden Mining Industry Consultants. Mr Jones is a Fellow of the Australasian Institute of Mining and metallurgy (AusIMM), a Chartered Professional (Geology) and is a full time employee of Snowden Mining Industry Consultants. Mr Jones has sufficient experience that is relevant to the style of mineralisation, type of deposit under consideration and to the activity that 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". Ivor Jones and Shane Fieldgate consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.