

2 October 2009

ASX CODE: MZM
ISSUED SHARES: 41.69M
52 WEEK HIGH: \$0.24
52 WEEK LOW: \$0.02

CONTACT:

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BOARD:

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

KEY PROJECTS:

PEAK HILL (100%)
Gold

BUTCHER BIRD (100%)
Manganese, Copper

MT PADBURY (100% of gold)
Gold, Manganese, Iron

KEY SHARE POSITIONS:

AUVEX RESOURCES LTD
10,000,000 FPO Shares

BUXTON RESOURCES LTD
2,000,000 FPO Shares

MONTEZUMA POURS FIRST PEAK HILL GOLD

- Gravity processing of approximately 800t of ore yields first gold pour of approx. 63 oz at a recovered grade of 2.5 g/t.
- Estimated 20,000t of material remaining to be process in the first phase of the operation.
- Montezuma free carried and receives 25% of all gold produced.
- Other material amenable to gravity processing being investigated to provide significant ongoing cashflow.

Montezuma is pleased to announce that gravity processing of mill site material at its 100% owned Peak Hill Project has yielded the first gold from the Project since mining ceased in the mid 1990's.

Montezuma has in place a Tribute Mining Agreement with Resource Gold Pty Ltd ("RGL") to process suitable material from within the Project using RGL's gravity plant. All costs and environmental liabilities are carried by RGL and Montezuma receives 25% of all gold produced.

An initial parcel of material has been processed during the start up phase and has successfully extracted 63oz of gold from approximately 800T of material for a recovered grade of approximately 2.5 g/t. The quantity of material available in this first phase of the programme is estimated at approximately 20,000t.

Grades are expected to be highly variable and therefore no estimate of total recoverable gold is possible, however this early success suggests that the programme is likely to yield significant returns.

The Peak Hill Project is located approximately 20km west of Alchemy Resources' Hermes gold project and contains rocks of the Peak Hill Schist and Naracoota Volcanics, prospective for both gold and base metals.

The potential for copper mineralisation has been recently highlighted by Sandfire Resources' discovery of the De Grussa and Conductor 1 copper orebodies within this rock sequence to the east of Montezuma's tenure.

The cashflow generated by the gold processing programme combined will help to fund accelerated exploration at Peak Hill and the surrounding tenure as well as at the company's exciting new copper/manganese project at Butcher Bird to the northeast.

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 "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 appear.