



This Month's Features

MONTEZUMA MINING COMPANY LTD ACQUIRES PEAK HILL GOLD MINE

Montezuma HAS completed the acquisition of the Peak Hill gold mine from Barrick Group and Rio Tinto group, and is now the 100% beneficial owner of the + million ounce gold province.

Montezuma intends to immediately commence exploration to add to an existing resource base of in excess of 200,000 ounces of gold with an initial target of 500,000 ounces to underpin the company's target to become gold producers within three years.

The project has produced in excess of 920,000 ounces of gold at high grades from both historical production, and during modern operations by North and Plutonic.

The existing drilling data highlights numerous targets expected to contain extensions to the existing resources at high grades.

The Main Pit Deeps have in ground assays up to 878 g/t over a metre with separate composite intersections including 8m@124.22 g/t, providing strong indications of the potential for high grade underground production.

At Jubilee, a small test pit has yielded 6,500 ounces at 4.00 g/t from an extensively mineralized zone with in ground intersections of up to 590g/t gold over a metre and composite intersections including 5m@201.74 g/t and 10m@ 14.83 g/t.

The majority of the drilling at Jubilee is only 50m deep, and sporadic deeper drilling demonstrates the continuity of mineralization at depth.

Mineralisation is also open along strike. Jubilee will be the target of early drilling to add to the existing known resources.

At the Harmony/Baxter lease, production has yielded 221,000 ounces at 3.24 g/t from a shallow, open cut operation that mined down to approximately 100 metres.

Significant mineralization remains below the current pit limits, and this will be the target of further drilling and resource modeling to assess the potential of this mineralization to contribute ore to a production scenario.

At Enigma North, previously defined resources of approximately 67,000 ounces are open

down plunge and at depth, and will be further tested to build on the existing mineralized corridor

In addition to these clear target areas, historically the project has had only limited exploration outside the immediate production areas. While some areas have been drill tested, it has generally been very shallow and there are large prospective areas that have had no drilling to date.

Given the large, high grade nature of the gold system at peak Hill, the highly prospective extensions to known mineralization, and the potential for new discoveries, Montezuma regards Peak Hill as a key component of the company's strategy to become gold producers in the near term

Exploration at Peak Hill will be proactive and aggressive, with early positive results expected.

The Board is of the view that the gold industry in Western Australia has a strong future, and that recent success by other companies have clearly demonstrated that positive in-ground results can underpin a re-rating on the markets, and the company's clear view is that the historically high grade mineralisation at Peak Hill will lead to similar success for Montezuma.

"The Managing Director of Montezuma, Mr Justin Brown, told the Australian Investor Peak Hill represented a unique opportunity for the company.

"We are going to be working existing resources and new exploration targets.

"Creating more resource gives us production options, and there is little doubt that we will get robust grades.

"We are now entering into a resource definition phase, and have a drill program currently being planned. The historical data gives us immediate targets, and we have committed an initial \$1 million to the drilling program at Peak Hill.

"We think that the gold price will continue to be strong for quite a while, and we want to be in production within three years," Mr Brown explained.