

ASX RELEASE



MONTEZUMA MINING COMPANY LTD

PO Box 8541 Perth BC WA 6049
133 - 135 Forward Street Perth WA 6000
Telephone +61 8 9228 4833
Facsimile +61 8 9328 8502
info@montezumamining.com.au
www.montezumamining.com.au
ASX: MZM

27 March 2008

ASX CODE: MZM
ISSUED SHARES: 41.29M
52 WEEK HIGH: \$0.36
52 WEEK LOW: \$0.10

CONTACT:

Justin Brown
Managing Director
+61 8 9228 4833

BOARD:

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

KEY PROJECTS:

PEAK HILL (100%)
Gold

MT. PADBURY (90%)
Gold, Manganese, Uranium

ROBINSON RANGE (70%)
Gold, Uranium

CALLAWA (100%)
Copper, Gold

TALGA (90%)
Gold, VMS

MONTEZUMA ACQUIRES IRON ORE RIGHTS AT MT PADBURY

- High-grade assays up to **63% iron** returned from surface samples.
- Potential for significant **high-grade haematite** mineralisation.
- No drill testing of targets completed to date.

Montezuma is pleased to announce that it has successfully negotiated an agreement with Independence Group NL to acquire their 90% of the iron ore rights over the Mt Padbury licence E52/1529.

The licence contains approximately 23 strike kilometres of the banded iron and chert sediments that make up the Robinson Range. The sequence is known to host significant iron enrichment with sampling by previous workers highlighting elevated surface iron values in excess of 50% over significant strike lengths.

In one occurrence, where surface sampling returned grades of 63% from high grade haematite mineralisation, there is a reported exploration target potential of six million tonnes of high grade haematite ore. The sample returned low levels of silica (4.45% SiO₂) phosphorous (0.09%), sulphur (0.08%) and aluminium (1.68% Al₂O₃).

It should be noted that this 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.

Independence will receive a royalty of \$2/DMT of any iron ore successfully mined from within the licence. The remaining 10% free carried interest in E52/1529 is held by a private company.

The Mt Padbury licence continues to be a major focus, and to generate exploration success, and the latest deal adds to the prospectivity of this overall project area which is part of a >3000 km² holding in the region.

Given the current and forecast ongoing strength in the iron ore markets going forward, Montezuma intends to seek to generate shareholder value by proactively seeking to capitalise on this opportunity.

Sample #	Fe (%)	SiO2 (%)	P (%)	S (%)	Al ₂ O ₃ (%)	Ti (%)	Mn (%)
1168	57.9						
1170	41.9						
1171	55.6						
1172	63.0	4.45	0.09	0.08	1.68	0.05	0.04
1173	54.2						
1174	60.4						
1175	56.0						
1179	30.2						
1180	47.9						
1181	56.7						
1182	42.2						

In addition to the iron ore potential, the gold mineralisation at the Wood Creek Prospect presents an opportunity to define resource ounces for trucking to Peak Hill, and the high-grade manganese mineralisation previously announced is currently the focus of negotiations to maximise shareholder value through early production and cash-flow.

This new acquisition adds further exploration potential to complement the Company's core strategy of building on the existing +200,000 oz gold resource base at Peak Hill with the strategic goal of generating sufficient resources to support a stand-alone producing mine within 3 years.

More Information

Justin Brown

Managing Director

Phone: +61 (8) 9228 4833

Mobile: 0438 745 675

Media Enquiries

Sarah Allchurch

Allchurch Communications

Phone: +61 (8) 9381 6625

Mobile: 0412 346 412

The Information in this report that relates to exploration results is based on information compiled by Liam Cornelius, who is a member of the Australian Institute of Mining & Metallurgy. Mr Cornelius 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. Liam Cornelius consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

MT PADBURY PROJECT - IRON SURFACE SAMPLING RESULTS

