

7 November 2007

ASX CODE: MZM

ISSUED SHARES: 36.9M

52 WEEK HIGH: \$0.36

52 WEEK LOW: \$0.16

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**BOARD:**

Denis O'Meara: Chairman

Terry Grammer: Non-Exec

Ian Cornelius: Non-Exec

**KEY PROJECTS:**

PEAK HILL (100%)

Gold

ROBINSON RANGE (70%)

Uranium, Gold

CALLAWA (100%)

Copper, Gold

TALGA (90%)

Gold, VMS

PILGANGOORA (90%)

Gold, Nickel

**NEW HIGH GRADE GOLD ZONE AT JUBILEE PROSPECT**

- Assays received from the first 5 of 24 RC holes.
- Best intersection **4m @ 22.58 g/t** gold at the bottom of hole JBRC003 defining a **new high-grade zone**.
- Thickness of the high-grade intersection currently being determine by deepening the drillhole.
- Further assays imminent from Peak Hill and Mt Padbury.

Montezuma is pleased to announce that results from the first five of a planned 24 hole RC drilling programme at Peak Hill have been received with all holes intersected significant mineralisation.

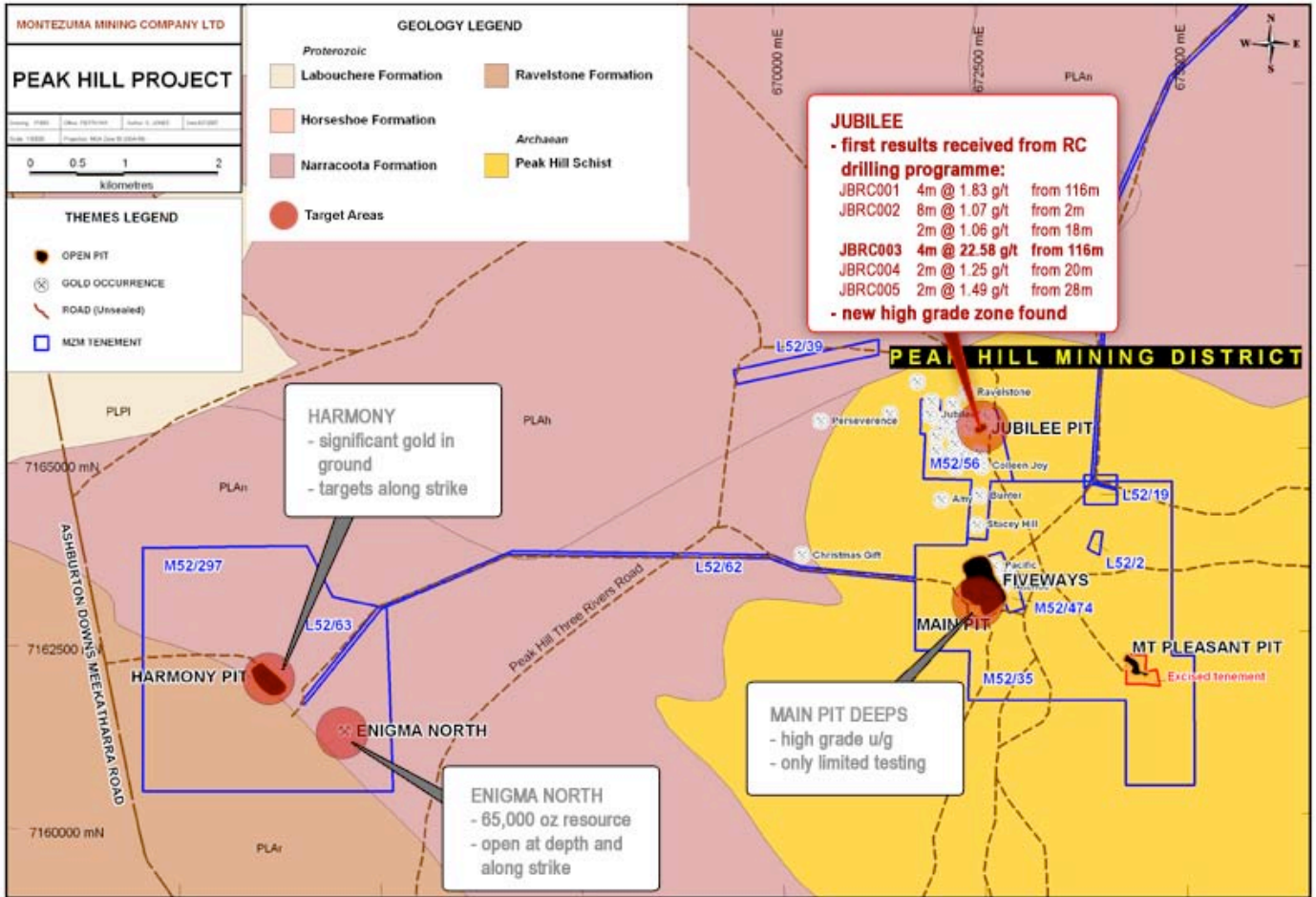
The best intersection received to date is 4m @ 22.58 g/t from the bottom of hole JBRC003. This intersection represents a previously untested zone of high-grade gold mineralisation and confirms the potential for the Peak Hill Project to yield additional gold resources.

JBRC003 is currently being re-entered to deepen the hole to determine the full thickness of the mineralised zone. The vertical depth to mineralisation is approximately 104m, with the deepest previous drilling at this location having only tested to 60m depth.

Significant intersections are as follows (2m composite samples):

Hole	Intersection	From (m)	Comments
JBRC001	4m @ 1.83 g/t	116	Finished in mineralisation.
JBRC002	8m @ 1.07 g/t	2	
	2m @ 1.06 g/t	18	
JBRC003	4m @ 22.58 g/t	116	Finished in mineralisation.
JBRC004	2m @ 1.25 g/t	20	
JBRC005	2m @ 1.49 g/t	28	

The RC drilling rig is currently on site and approaching completion of the initial 24 hole programme, which comprises an initial twenty holes at the Jubilee Prospect and four holes at the Mt Padbury Project, approximately 40km west of Peak Hill.



The first pass programme at Mt Padbury comprising four holes has been completed to test the continuity of mineralisation at the Wood Creek Prospect, where previous workers have outlined a significant zone of mineralisation via shallow (30m deep) RAB testing of a gold in soil anomaly. The Wood Creek Prospect at Mt. Padbury is regarded as having the potential to host a significant gold resource that would add to any future production scenario at Peak Hill. Assay results are pending.

In addition to the work at Peak Hill and Mt. Padbury, a drilling rig is being sourced to undertake first pass testing of the virgin Callawa Prospect in the East Pilbara region of Western Australia. Surface sampling at Callawa has previously returned results of up to 29% copper with significant associated gold and silver anomalism. This target has never been drilled.

**Justin Brown**

**Managing Director**

Montezuma Mining Company Ltd

*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 is an Executive Officer of South Boulder Mines Ltd and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*