
Montezuma Mining waits for assays at Mt Padbury

Thursday, 15 Oct, 2009

Montezuma Mining has indicated that Sinosteel Midwest Corporation Limited has reported positive initial results from work to date at the Mt Padbury prospect near Meekatharra in Western Australia.

As part of an initial drill testing of the Jabiru Prospect, SMC completed a 76 hole RC drilling program for a total of 6,958 metres and all samples have been submitted for assay. The drilling targeted 1.5 kilometers strike of complexly folded BIF and shale sequences previously mapped at Jabiru by SMC. The drilling intersected both hematite and goethite iron ore mineralization within the folded BIF.

SMC proposes to complete an initial Inferred Mineral Resource estimate during the first half of calendar year 2010. Infill and extensional drilling may be proposed for Jabiru pending results of the Mineral Resource estimation. If SMC defines a JORC compliant iron ore resource in excess of 10 million tonnes grading over 50% Fe, a third cash payment of USD 4 million becomes payable to Montezuma.

Montezuma will also receive a 0.5% royalty on the gross proceeds of the sale of all iron ore grading between 30T to 50% Fe and a 1% royalty on the gross proceeds of the sale of all iron ore grading over 50%, the latter being first subject to the definition of a 10M tonne resource grading over 50% Fe.

Montezuma has in excess of 3,000 square kilometers of exploration tenure in Western Australia, with multi commodity prospectivity including gold, copper, nickel and uranium targets. The portfolio centerpiece is the Peak Hill gold mine which has produced in excess of 900,000 oz of gold and has existing resources in excess of 200,000 oz of gold.

(Sourced from www.proactiveinvestors.com.au)

For more news visit at www.steelguru.com