



Montero and Strategic Investor sign an indicative non-binding term sheet for an equity investment to develop its rare earth project.

Toronto, Ontario (November 16th, 2012): Montero Mining and Exploration Ltd. (TSX.V: MON) has signed an arm's-length, indicative, non-binding term sheet with a Strategic Investor ("Investor"), whereby the Investor has proposed to provide equity funding at project level towards the development of Montero's Wigu Hill Rare Earth Element mine and refinery ("Rare Earth Project"). The indicative non-binding term sheet sets out the terms and conditions of a potential agreement. A due diligence is still to be undertaken by the Investor, the results of which are subject to the approval by the Executive Management and Board of Directors of the Investor.

Dr. Tony Harwood, President and CEO of Montero commented, *"The potential business case will be directed at developing an integrated Rare Earth Refining company. Use of proceeds from the proposed funding shall include proving up further Rare Earth Element resources at Montero's high-grade Wigu Hill Rare Earth Element project in Tanzania in conjunction with the development of a rare earth refinery subject to feasibility work"*.

About Montero Mining & Exploration

Montero Mining and Exploration Ltd. is a mineral exploration and development company focused on achieving production of fine rare earth chemicals and metals primarily from at its flagship Wigu Hill project in Tanzania and the establishment of a rare earth refinery. With China's control over export quotas, it is becoming imperative that the rest of the world develops new rare earth resources to meet the increasing demand from "green" technology and high-tech applications. Montero has a highly experienced Board and Management team that has built and operated mines and refineries which brings significant credibility to our strategy of becoming a rare earth chemical producer. In addition to rare earths, Montero has phosphate assets in South Africa and uranium assets in Tanzania and Quebec, Canada.

Signed. **Dr. Tony Harwood** - President and CEO

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