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30 October 2012

Centralised Company Announcements Office  
ASX Limited  
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Sydney NSW 2000

## **ZAMIA METALS LIMITED QUARTERLY ACTIVITIES REPORT**

### **For the quarter ended 30 September 2012**

#### **HIGHLIGHTS**

On 27 July 2012, Zamia Metals Limited and its 100% owned subsidiary Zamia Resources Pty Ltd (Zamia) signed an Option and Joint Venture Agreement with Gold Fields Australasia Pty Ltd (Gold Fields) to explore for gold and copper on nine of Zamia's Exploration Permits for Minerals (EPMs).

#### **REGIONAL EXPLORATION FOR COPPER-GOLD**

##### **Gold Fields Option and Joint Venture Agreement**

Under the terms of the Agreement, Gold Fields has selected nine EPMs from Zamia's tenement portfolio and has the right to manage exploration over them for an initial period of 18 months. Following or during this period, Gold Fields can select up to three EPMs in which to earn a 51% joint venture interest. For further details of this Agreement, see Zamia's web site: [www.zamia.com.au](http://www.zamia.com.au).

The nine EPMs are highlighted in Figure 1. They comprise EPMs 14790 and 15145 (Mazeppa and Mazeppa Extended, excluding the Anthony Molybdenum Project area), EPM 14792 (Mount Rolfe), EPM 17488 (Mistake Creek), EPM 17529 (Barcombe), EPM 17555 (Gregory), EPM 16523 (Bullock Creek), EPM 16524 (Logan Creek) and EPM 18598 (Cairo). Gold Fields commenced work in early August, appraising the ground and initiating exploration programs over a number of the tenements.

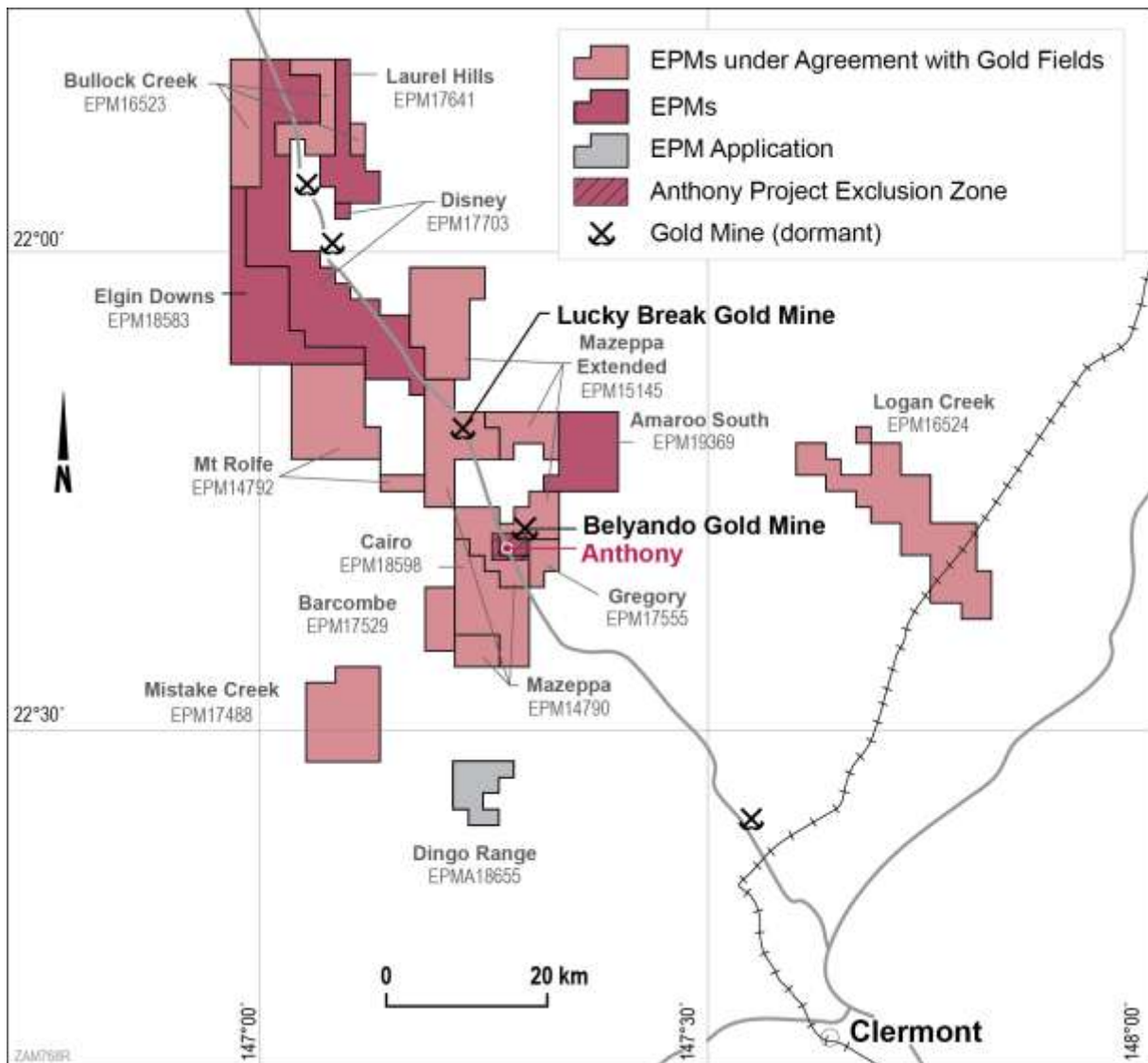


Figure 1. Zamia's tenement package showing the nine EPMs under Gold Fields Option and Joint Venture Agreement

### EPM 16523 Bullock Creek

EPM 16523 consists of three non-contiguous portions. In the western portion, a prominent twin-peaked magnetic feature is the magnetic expression of a mafic-ultramafic intrusive complex, named Double Trouble (Target 1), which has been targeted for intrusion-related base metal mineralisation. During June 2012, geological mapping and MMI (mobile metal ion) geochemical soil sampling was carried out over this feature and the surrounding area (Figure 2).

In the September quarter, soil geochemistry continued, with a conventional sampling program being carried out over magnetic Targets 2 and 3, acquiring 68 and 101 samples respectively. The target areas are underlain by clastic sediments of the Carboniferous Mount Hall Formation (Drummond Basin) and high-level dacitic intrusives / extrusives. The target areas are being explored for potential porphyry-type copper-gold mineralisation. Follow-up investigations will be carried out by Gold Fields.

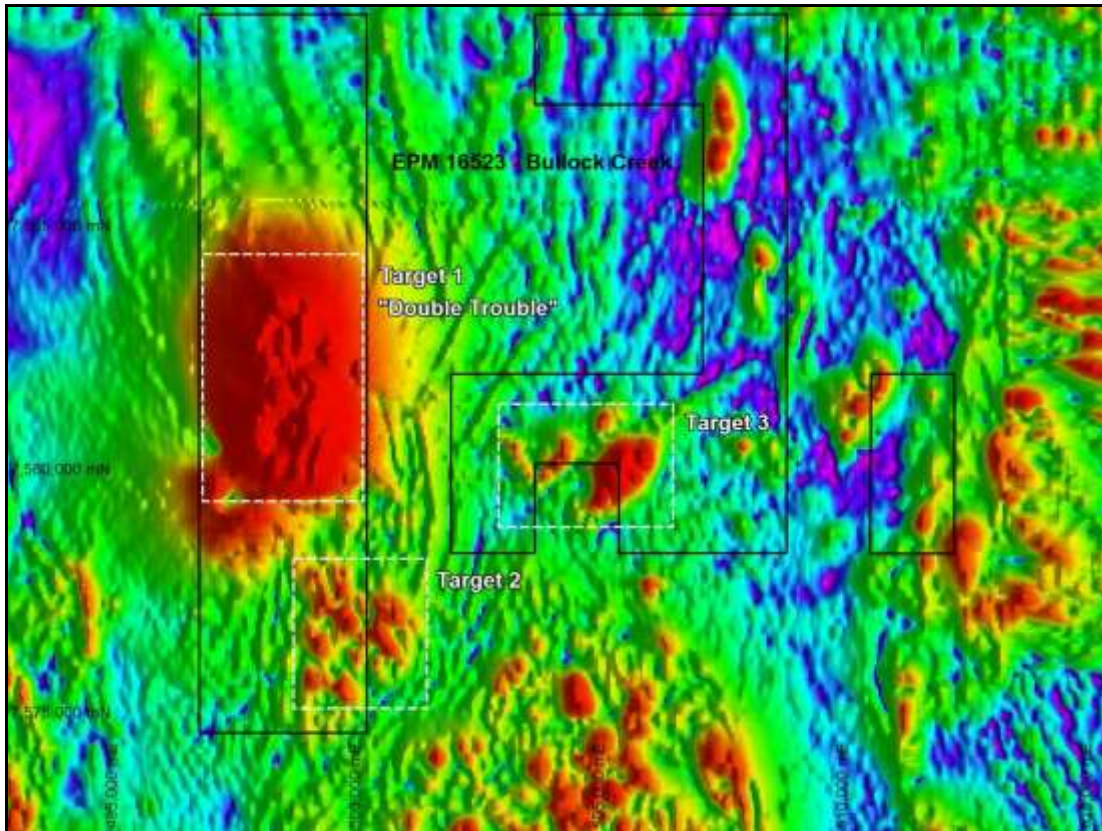


Figure 2. EPM 16523 Bullock Creek showing target areas covered by soil sampling programs



Photo of Zamia's field staff soil sampling at Bullock Creek, Target 3 grid.

## EPM 17703 Disney

An extensive literature research, based on the Queensland government's exploration database of past company reports, has been compiled for this new EPM. A review of the data and interpretation of the aeromagnetic data has delineated a target area for geochemical soil sampling and geological mapping.

## EPM 18583 Elgin Downs

A sample grid has been designed over a target area defined from the aeromagnetic data and the literature reviews of past exploration work carried out over EPM 18583. Land holders have been notified in order to gain land access for the soil sampling programs planned to commence in October 2012.

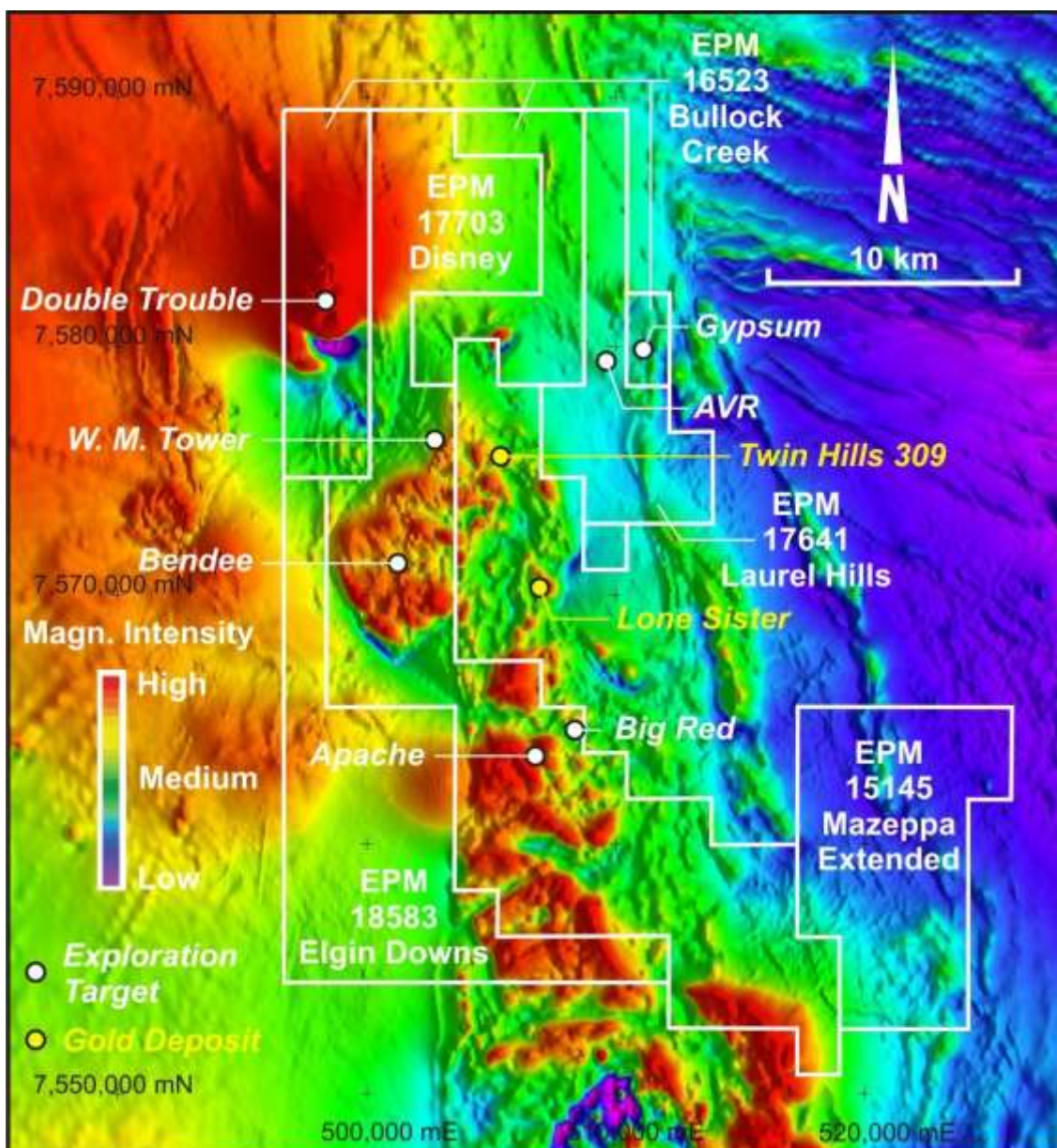


Figure 3 Zamia's northern tenements showing targets over magnetic (TMI) image

## **ANTHONY MOLYBDENUM PROJECT**

During the quarter, Zamia has continued to compile the detailed geological logging of all diamond drill core. By the end of the quarter, the Anthony drilling database had been completed; the diamond scout holes surrounding the deposit area are planned to be finalised in the next quarter.

## **CORPORATE ACTIVITIES**

### **Gold Fields Option and Joint Venture Agreement**

Zamia signed on 27 July 2012 an Option and Joint Venture Agreement with Gold Fields to explore for gold and copper on 9 of Zamia's EPMS in Clermont. The key terms are:

- Gold Fields can earn interest up to 70% over two three year periods which are termed Option Periods
- During the First Option Period of three (3) years, Gold Fields has the right to explore in 9 EPMS, for 18 months initially, and earn a 51% joint venture interest in up to 3 EPMS nominated by Gold Fields after spending \$4 million, inclusive of \$1 million Minimum Expenditure. Gold Fields may terminate the 51% Option during this period after spending the \$1 million Minimum Expenditure without earning an interest in any EPMS.
- During the Second Option Period of three (3) years, Gold Fields has the right to earn an additional 19% interest by funding \$6 million in exploration expenditure on the nominated EPMS, inclusive of \$0.5 million minimum spending. Gold Fields may terminate the 19% Option during this period after spending the \$0.5 million without earning any additional joint venture interest above 51%.
- A Joint Venture between Zamia and Gold Fields will be formed during or after the option periods upon Gold Fields having satisfied the expenditure conditions.

Gold Fields is one of the world's largest producers of gold, with attributable annualised production of 3.5 million gold equivalent ounces from eight operating mines in Australia, Ghana, Peru and South Africa. The company also has an extensive and diverse global growth pipeline of resource development projects. Gold Fields is listed on the Johannesburg Stock Exchange (JSE) as the primary listing, the New York Stock Exchange (NYSE), the NASDAQ Dubai Limited, Euronext Exchange in Brussels (NYX) and the Swiss Exchange (SWX).

### **Promotional and Commercial Activities**

The Company's Chief Executive Officer, Jordan Li presented to the Mining Investment & Finance Conference in Sydney held during September 2012..

The Company is maintaining a dialogue with potential strategic partners and investors while reviewing Anthony project's economics as well as base metal and gold opportunities outside the Clermont region.

A handwritten signature in black ink, appearing to read 'K. Maiden', with a stylized, cursive script.

Ken Maiden

Director, Zamia Resources Pty Ltd

**Competent Person**

Dr Ken Maiden, MAIG FAusIMM, a Director of Zamia Metals Limited, compiled the geological technical aspects of this report. He has sufficient experience to qualify as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Maiden consents to the inclusion of the matters in the form and context in which they appear and takes responsibility for data quality.