



ZAMIA METALS LIMITED

QUARTERLY ACTIVITIES REPORT

For the quarter ended 30 September 2013

KEY POINTS

- During the quarter, Zamia continued to explore on epithermal gold targets in Exploration Permit for Minerals ('EPM') 17703 Disney, which lies adjacent to the former Twin Hills gold mine.
- Gold Fields Australasia Pty Ltd ('Gold Fields') has carried out reverse circulation ('RC') drilling on three EPMs.
- Zamia commenced an induced polarisation ('IP') geophysical survey over the Anthony Molybdenum Project area in EPM 15145 and EPM 14790.

ZAMIA'S REGIONAL EXPLORATION

EPM 17703 Disney

In the south of the tenement area, a regional-scale (200m x 100m sample spacing) soil geochemical program, covering an area of 5 km x 10 km, commenced in early July. This conventional B-horizon soil sampling grid covers the *Apache* and *Big Red* prospects, where elevated gold and copper assay results were obtained from previous drilling.

Zamia's exploration team initially sampled every second line, acquiring a sample every 100m on E-W sample lines spaced 200m apart (Figure 1). A total of 1,141 samples were taken by early September, concluding the first segment of the survey. Analytical results are pending. Following assessment of the results, the second segment of the survey will initially cover areas showing elevated geochemical values.

EPM 17641 Laurel Hills

Following completion of the first segment of the south Disney soil survey, a smaller conventional soil survey, on the south-western portion of EPM 17641 (Figure 1) commenced with a spacing of 200m x 200m. The survey targets the Silver Hills Volcanics along the eastern tenement boundary. Approximately 50% of the area was covered, resulting in 114 samples being acquired by late September.

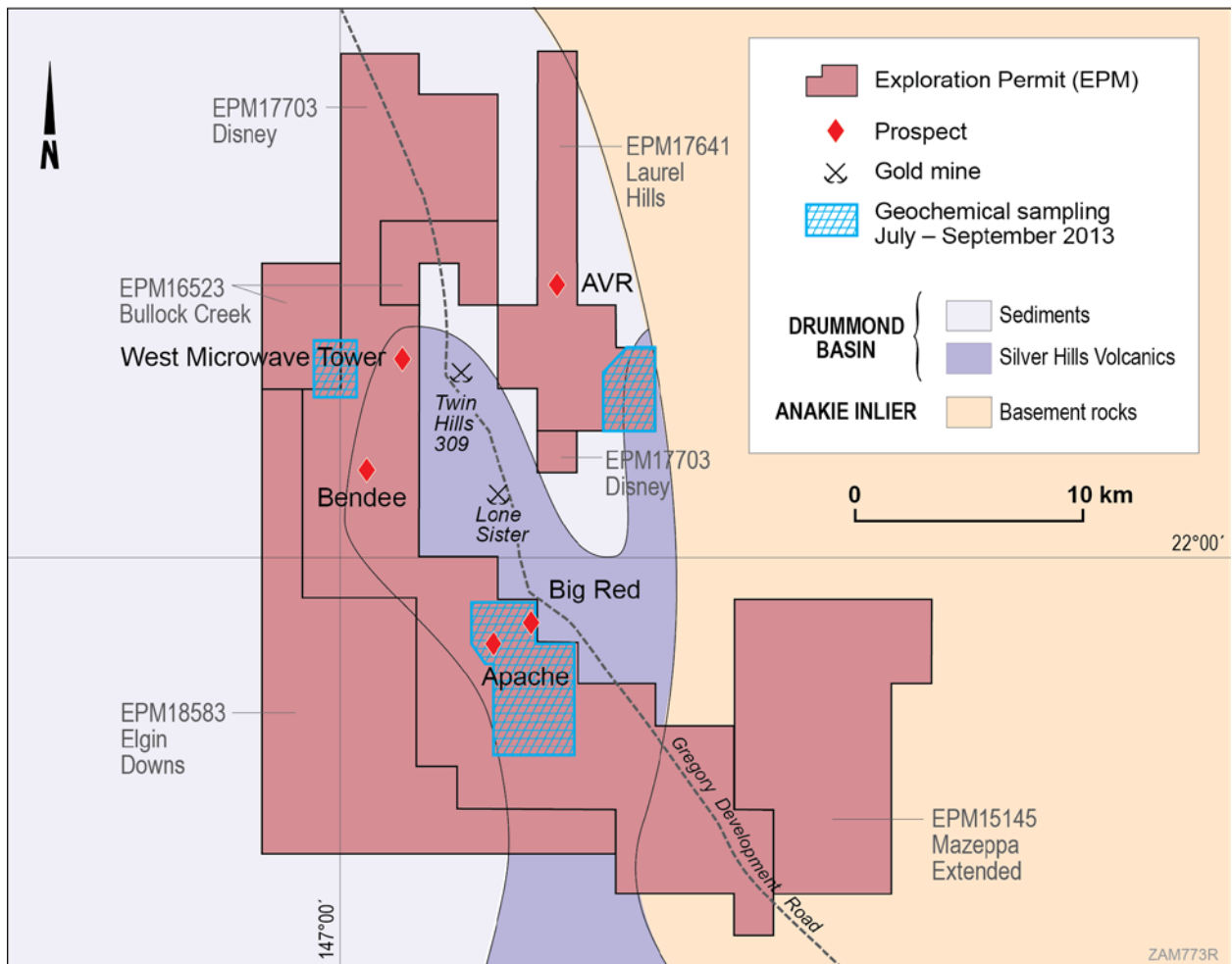


Figure 1 Northern EPMs showing geochemical sampling, July to September 2013

EPM 16523 Bullock Creek

Further field reconnaissance mapping and sampling was carried out in July, over the southern part of the western portion (Figure 1). This area extends to the adjacent EPM 17703 and is underlain by a syenite intrusion and laminated siltstone of the Raymond Formation. Outcrop samples were not significantly elevated in base metals or typical pathfinder elements for gold mineralisation (As, Bi, Te), thereby downgrading the discovery potential of this area.

ANTHONY PROJECT AREA (EPM 1545, EPM 14790)

The 2011 pilot IP study over and extending beyond the Anthony molybdenum deposit to the north and west, showed a number of interesting features. Zamia elected to conduct a 3D pole-dipole IP survey encompassing the Dead Horse magnetic anomaly and the surrounding area. The survey parameters are 12-14 double-offset arrays with a line spacing of 400m and 16 receiver electrodes each, spaced 100m apart (Figure 2).

The survey, carried out by Fender Geophysics with the aid of Zamia staff, began on 27 September and is anticipated to take about 5 weeks to complete. Three dimensional ('3D') modelling will be assisted by 3D aeromagnetic data inversion to define new drill targets for copper and gold.

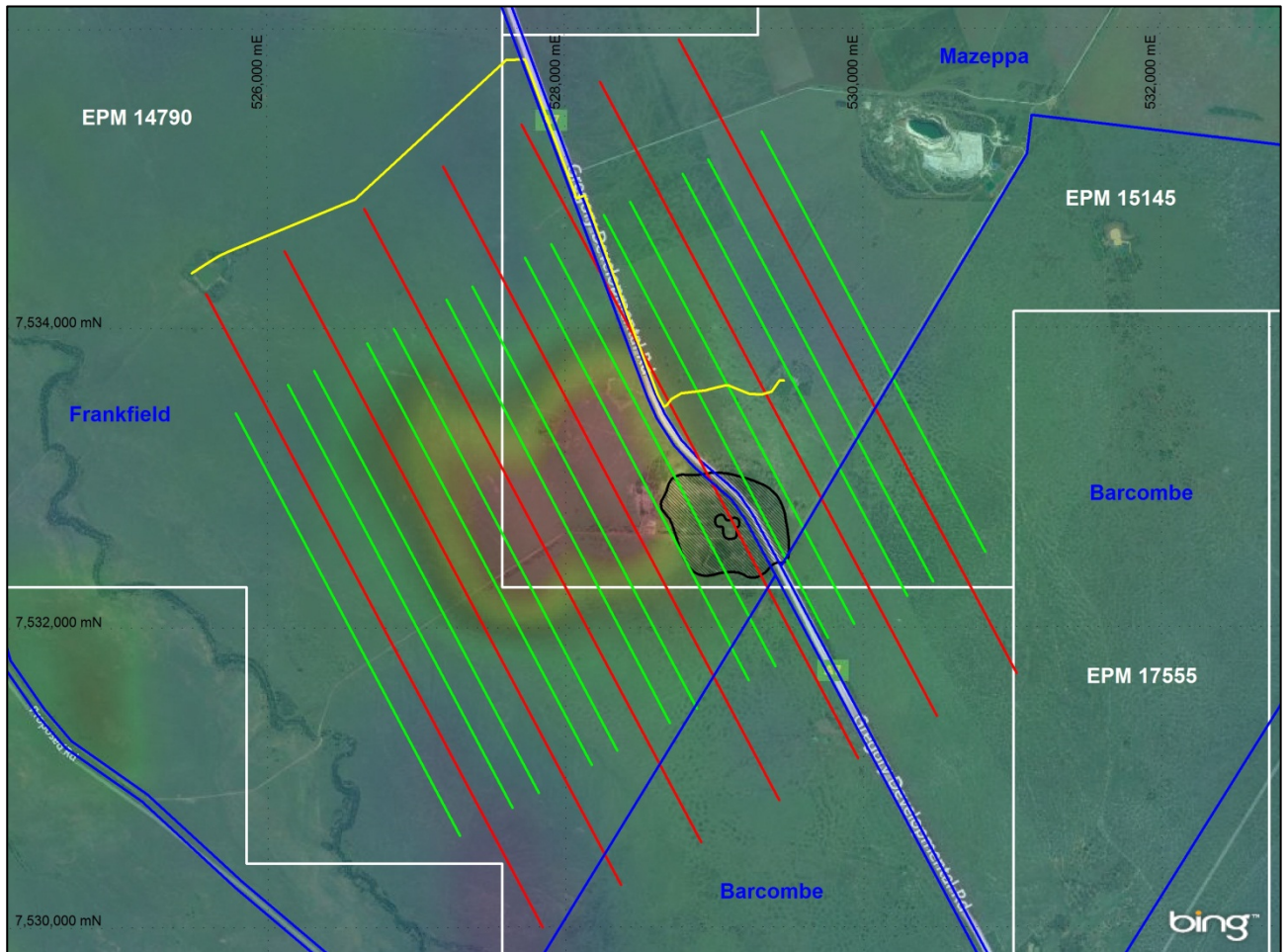


Figure 2 Anthony Project area showing IP survey area (red and green lines) overlain on RTP aeromagnetic data and aerial photography. Anthony molybdenum resource area outlined in black.

GOLD FIELDS OPTION AND JOINT VENTURE AGREEMENT

Under the terms of the Option and Joint Venture Agreement, Gold Fields may select for joint venture up to three EPMs held by Zamia, during an initial 18-month period up to January 2014. During the quarter, Gold Fields continued exploration on EPM 14788 Mistake Creek, EPM 14790 Mazeppa (Blackwood Dam prospect) and EPM 16524 Logan Creek.

EPM 16524 Logan Creek

In August - September, Gold Fields carried out an RC drilling program consisting of nine holes (totalling 1,356m) over the Mt Douglas and Silo Hill targets. The drill holes were designed to test (a) the mineralised intrusions and the associated magnetic highs; (b) the best gold-in-soil geochemistry; and (c) the extent and continuity of mineralisation. Assay results have not been received.

EPM 14788 Mistake Creek

In September, Gold Fields drilled one RC hole which was designed to test the previously identified weak mineralisation and coincident IP anomaly. The hole was planned to extend to 300m depth but was abandoned at 120m due to high water flow causing collapse of the hole. The hole intersected

weathered and fresh fine-grained magnetite-bearing granodiorite, aplite and a magnetite-altered rock. Pyrite was observed throughout the hole. Assays have not been received.

EPM 14790 Mazeppa (Blackwood Dam prospect)

In September, Gold Fields completed one RC hole on the southern-most portion of EPM 14790 Mazeppa at the Blackwood Dam magnetic high. Drilling confirmed that the source of the magnetic anomaly is magnetite-bearing granodiorite. The cover sequence of black soil and gravelly and puggy clays extends to 96m depth, thereby confirming that geochemical sampling cannot be considered to be a viable exploration tool in this area.



Photo of RC drilling at Mistake Creek EPM 17488 on 25th September 2013.

CORPORATE ACTIVITIES

A Share Purchase Plan ('SPP') offer was sent to shareholders on 18 June 2013 and closed on the extended date of 23 July 2013. Subscription for shares under the Plan was \$108,500, including a placement of portion of the SPP shortfall shares.

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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.