Suite 60, Level 6 Tower Building
Chatswood Village
47-53 Neridah Street
Chatswood NSW 2067
T: + 61 2 8223 3744
F: + 61 2 8223 3799
E: info@zamia.com.au
www.zamia.com.au

31 October, 2014

Centralised Company Announcements Office
ASX Limited
Exchange Centre 20 Bridge Street
Sydney NSW 2000

ZAMIA METALS LIMITED QUARTERLY ACTIVITIES REPORT
For the quarter ended 30 September 2014

KEY POINTS

- During the quarter, an initial drilling program of up to 10 Reverse Circulation (RC) holes over the Belyando gold deposit has been designed following a comprehensive review of the previous drill-hole data. Drilling is planned to commence in mid-November.
- Company geologists assessed the prospectivity of Zamia's EPM 18714 Waroo, near Stanthorpe in southern Queensland. A reconnaissance trip was made in September 2014 to inspect the post production gold and copper mines within the EPM area.
- Loan Agreements with Brownstone International Pty Ltd and Qinghai Genlid Mining Investment & Management Co Ltd totalling $600,000 have been entered into, to provide funds for advanced exploration activities.

BELYANDO GOLD DEPOSIT

The Belyando gold deposit is located about 2.5 km north-east of the Anthony molybdenum deposit, within Zamia's EPM 15145 *Mazeppa Extended*. Total production over the mine life has been stated at 85,840 oz gold from combined carbon-in-pulp ('CIP') extraction and heap leach operations.

During the quarter, an assessment was made of the potential for remaining mineralisation outside and below the current open pit. Zamia has digitised the previous drilling data, which was recorded by Menzies Gold N.L. (1986-87) and Ross Mining (1988). To investigate the extent of gold mineralisation below the bottom level of the current mine pit, (about 65m below the surface), i.e. approximately 200m above sea level, Zamia has produced a modified drill plan which removes the drill data above this level (Figure 2). The modified drill plan shows that compared to the total volume of drilling, relatively few drill-holes tested the area below the pit.

Six vertical drill sections were compiled in the area of best coverage below the open-cut. One of the six sections, section 10005E, (with the most number of drill-holes), is included within this report (Figure 3). Details of the findings have previously been announced to the Australian Stock Exchange ('ASX') on 19 August, 2014 and are published on Zamia's web-site: www.zamia.com.au.

In summary, the reported drill data indicates that gold mineralisation, at grades of 0.5 – 3.0 ppm, continues underneath the Belyando open-cut and broadly follows the steep north-north-east dip and north-west plunge defined by previous mining. The drilling information does not constrain the extent of mineralisation at depth or the potential for further near-surface mineralisation.

Figure 1 Satellite image showing the Belyando Gold Mine (Image © 2014 Digital Globe, GeoEye Earthstar Geographics SIO & Microsoft Corporation). Coordinates given are MGA94, Zone 55S

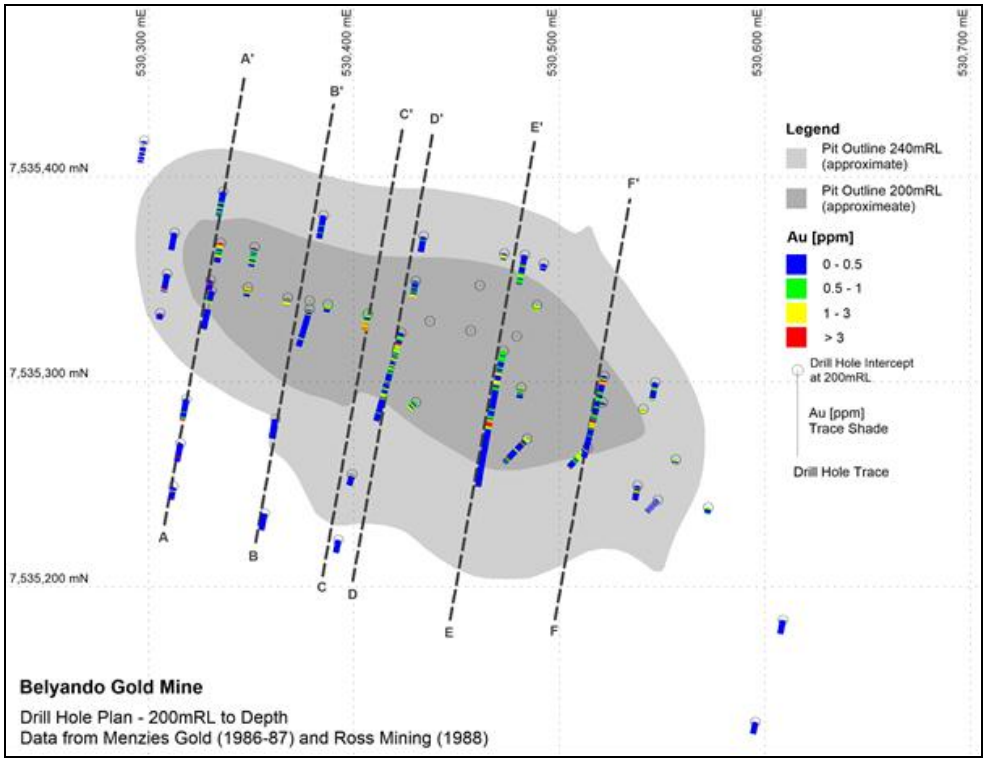

Figure 2 Drill plan showing drilling data below the bottom level of the Belyando pit (i.e. 200 mRL). Stippled lines indicate traces of vertical sections. Coordinates given are MGA94, Zone 55S

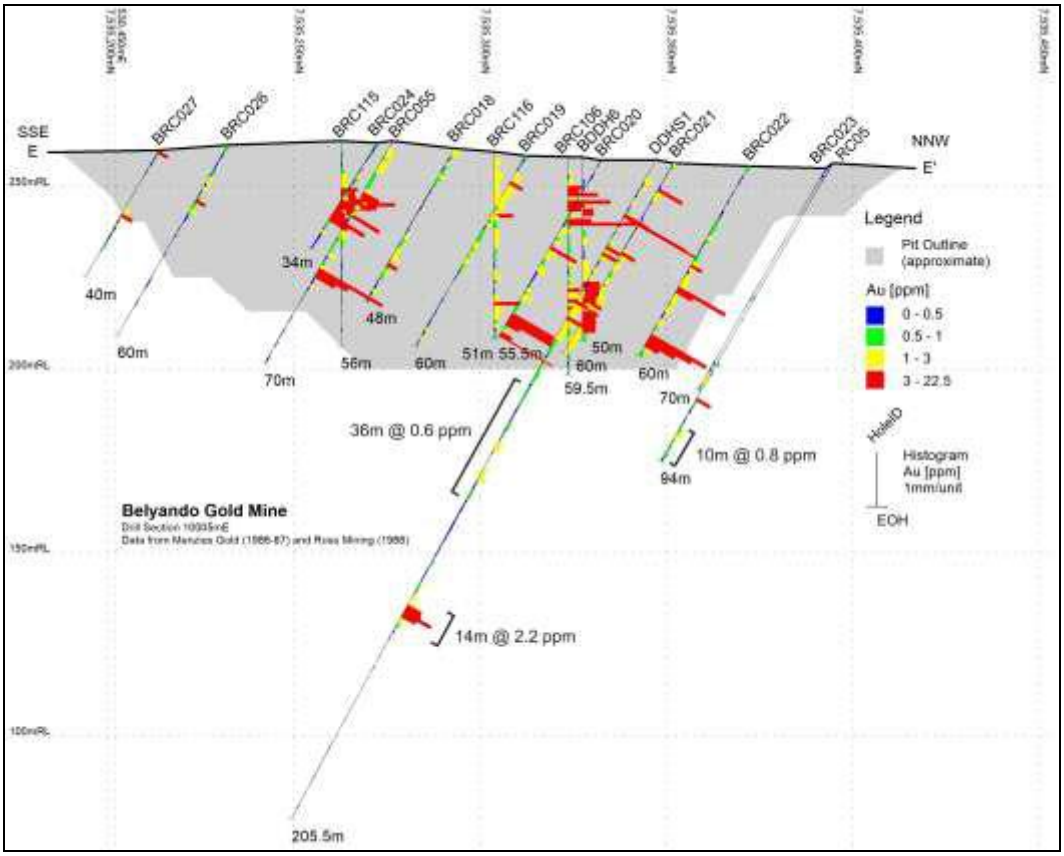

Figure 3 Drill section 10005mE (local grid) showing drill hole traces and reported gold results (histogram) in relation to the open pit. Co-ordinates in MGA94, Zone 55S.

During September, a drilling program was designed for up to 10 RC holes, to define the extent of the mineralisation beyond and below the pit. A visit to the site was made to review the drill-hole locations and to negotiate a conduct and compensation agreement with the landholder. Drilling is expected to commence in mid-November, subject to the availability of the drilling contractor.

EPM 18715 WARROO

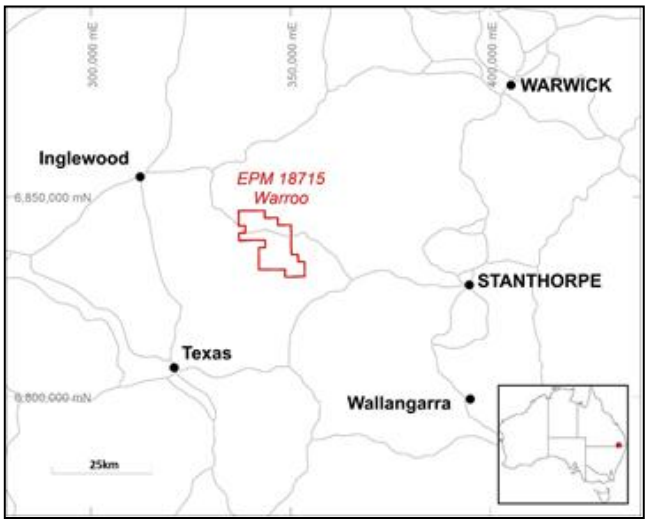

Figure 4 EPM 18715 Warroo location map

EPM 18715 Warroo, located approximately 50 km west of Stanthorpe, in south-east Queensland (see figure 4 opposite) was granted to Zamia on 17 October 2013.

In March 2014, the historical exploration data was compiled and documented. Assessment of the data combined with a field visit to the area was made in September 2014.

The Ti-Tree ridge gold prospect (Figure 5) was identified as a prospective target requiring further work. A 10m wide zone of brecciation and veining is exposed in costeans. Anomalous assay results, including 10 rock chip samples of >1 g/t Au, (with a peak assay of 10.9 g/t Au) have been recorded from sub-crop or float of silica and haematite altered brecciated siltstones with quartz veining and box work textures (see photo below).

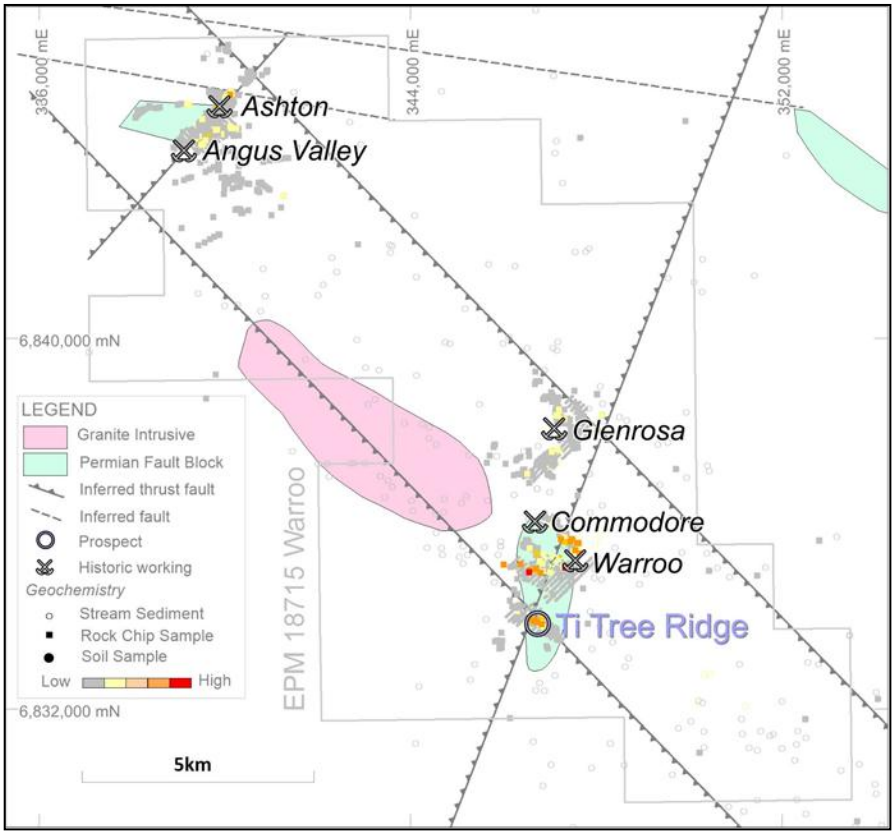

Figure 5 EPM 18715 showing prospect locations and previous geochemical sampling.

Hydrothermally altered silicified quartz-veined siltstone float from the Ti-Tree Ridge gold prospect

An initial RC drilling program at the Ti-tree ridge gold prospect has been recommended to determine the extent of mineralisation at depth and to advance the geological understanding of the area.

ANTHONY ENVIRONMENTAL REHABILITATION

During the quarter, the Anthony project area was the focus for rehabilitation work over ground disturbed by Zamia's drilling operations. The landholder was involved in the restoration process to ensure that all parties were satisfied with the final outcome. Auditing and re-organisation of all drill-core and core storage was also carried out.

CORPORATE ACTIVITIES

The Company entered into Loan Agreements with Brownstone International Pty Ltd and Qinghai Genlid Mining Investment & Management Co Ltd, two substantial Zamia shareholders. Funds of $400,000 and $200,000 respectively, in the form of a short-term loan agreement were provided primarily to support the drilling program at the Belyando gold prospect. An announcement was made to the ASX on 23 September 2014 (available on Zamia's web-site www.zamia.com.au).

Richard Keevers
Chairman, Zamia Metals Limited

Competent Person

Mr Richard Keevers, MAIG FAusIMM, Chairman and 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 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Keevers consents to the inclusion of the matters in the form and context in which they appear and takes responsibility for data quality.

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JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• RC percussion and NQ diamond drilling. • RC percussion samples were homogenised on 1-metre intervals using a conventional cyclone. 1-metre bulk samples were split using a 3-tier 1/16 riffle splitter. Splits were aggregated into 3-metre samples and re-split using a a 3-tier 1/16 riffle splitter to derive a sample of 2-4kg weight. • NQ diamond core was split to half-core and sampled in 2-metre intersections.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• A combination of RC percussion (5 inch hammer) and wire-line diamond drilling (NQ2 bit) was used to obtain the samples.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade*	• Sample weights of the RC percussion bulk rejects were recorded to assess the representative nature of the samples. Geotechnical logging was used to record and assess diamond core sample return and quality.

Criteria	JORC Code explanation	Commentary
	and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• RC chip samples were geologically logged (Anthony Project: 1-metre intervals, Hill 271 project: 3-metre intervals) based on a grab samples from the bulk rejects. Summary logs of the diamond core (no fixed intervals) were prepared before core cutting. Geological logging was of a qualitative nature. Geotechnical logs were prepared for diamond core on run-by-run intervals. Geological and geotechnical logging was applied to all available sample material (100%).
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• RC percussion samples were homogenised on 1-metre intervals using a conventional cyclone. 1-metre bulk samples were split using a 3-tier 1/16 riffle splitter. Splits were aggregated into 3-metre samples and re-split using a a 3-tier 1/16 riffle splitter to derive a sample of 2-4kg weight. • A conventional diamond saw was used to split the diamond core in two halves in a non-systematic core orientation. Half core was sampled in 2-metre intersections and shipped to the lab for assaying.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• All sample material was shipped to ALS Chemex in Brisbane for processing and assaying. Samples were ground to a particle size of <75µm and treated by 4-acid dissolution. This method is considered partial since less than 100% of the sample material is dissolved. All samples were assayed using ICP-MS or AES (ALS method ME-MS61) depending on the element assayed. Additional to the internal lab blanks and standards, Zamia added one blank and one standard material sample per 18 drill samples. One duplicate RC percussion sample was assayed for every 33 samples submitted.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data*	• No verification of assay results by alternate method or entity was undertaken, as no significant results were returned. No adjustments were made to the assay data. All assays were stored in electronically in the company's data base. Separate electronic copies of the assay

Criteria	JORC Code explanation	Commentary
	verification, data storage (physical and electronic) protocols. • *Discuss any adjustment to assay data.*	certificates are kept on the companies file server.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• All collars were located using a hand-held Gramin GPSMAP 60 receiver. Down hole orientation surveys were conducted every 30-50 meters using a Reflex EZ-Shot survey tool. Azimuths were corrected for magnetic declination using information provided by Geoscience Australia.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• RC samples were composited to 3-metre intercepts. Core samples were sampled and assayed in 2-metre intercepts. This sample spacing is considered sufficiently detailed for a bulk-tonnage porphyry-style mineralisation present at the Anthony Project and targeted at the Hill 271 Project.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Orientation studies (2008) of stock-work veins which host the porphyry-style mineralisation at Zamia's Anthony Project have shown no preferred orientation of mineralised fractures and veins. To the best of our knowledge, no sampling bias has been introduced by the orientations of drill holes. At hill 271, the orientation of mineralised structures in not constrained and possible sampling bias can not be assessed.
Sample security	• *The measures taken to ensure sample security.*	• Samples were taken, packaged and dispatched under the supervision of Zamia's senior geologist. Further handling of the samples fell into the responsibility of ALS Chemex staff.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews of sampling techniques were undertaken during the program in question.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental*	• The mineral exploration permits discussed (EPM 15145 ans EPM 19369) are held by Zamia Resources Pty Ltd (100%). No agreements or material issues with third parties exist over these tenements. EPM 15145 does overlap national park (<5%), which does not impact the

Criteria	JORC Code explanation	Commentary
status	*settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	Anthony Project in question. • No known issues impeding on the the security of the Zamia's tenure or ability to operate in the area exist.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The Anthony Project area was previously explored for gold and copper by Ardepco (1980-82), CRA Exploration (1991-94) and Cyprus Gold (1995-96). The Hill 271 Project was discovered by Burmine Ltd (1987-89) and significant previous exploration on the project was undertaken by CRA Exploration (1991-93).
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Anthony Project is a porphyry-style molybdenum deposit hosted in pre-Ordovician Anakie Group meta-sediments. The Hill 271 Project is hosted in the same stratigraphic unit. The style mineralisation at Hill 271 remains under investigation.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• Hole RCD14A099 (Anthony) ○ *Easting: 528545mE; Northing: 7533078mN; MGA94, Zone 55S* ○ *Elevation: 267m RL* ○ *Dip: -65; Azimuth (true) 130* ○ *Hole Length 429m (172m RC)* • Hole RC14A100 (Anthony) ○ *Easting: 527670mE; Northing: 7533315mN; MGA94, Zone 55S* ○ *Elevation: 253m RL* ○ *Dip: -65; Azimuth (true) 090* ○ *Hole Length 200m RC* • Hole RCD14A101A (Anthony) ○ *Easting: 528210mE; Northing: 7532554mN; MGA94, Zone 55S* ○ *Elevation: 256m RL* ○ *Dip: -65; Azimuth (true) 055* ○ *Hole Length 400.4m (108m RC)* • Hole RC14AS001 (Hill 271) ○ *Easting: 535820mE; Northing: 7541095mN; MGA94, Zone 55S* ○ *Elevation: 265m RL* ○ *Dip: -90; Azimuth (true) 000* ○ *Hole Length: 211m RC*
Data	• *In reporting Exploration Results, weighting averaging techniques,*	• Averages are based on assays representing intersections or equal

Criteria	JORC Code explanation	Commentary
aggregation methods	*maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	length (RC percussion – 3 metres; NQ diamond – 2 metres) and are weighted accordingly. At the Anthony Project all averages are based on a cut-off grade of 200ppm molybdenum, unless stated otherwise. No fixed cut-off grades are in use for other projects. • Where aggregate intercepts incorporate short lengths of higher grade, these are provided. Refer to Table 1 in the report body. • Not applicable.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• All reported intercepts represent down-hole lengths. Existing drill data at Hill 271 is insufficient to assess the preferred shape and orientation of mineralisation or it's relation to the orientation of drill holes.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Refer to figures 2, 4, 5, 6 and 7 in the report body.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• The work reported does not include economically significant results. Statistically elevated but sub-economic results are reported where they occur, with all other results representing background values.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Results of Zamia's previous work relevant to this report have been discussed in detail within previous releases, in particular ASX: ZGM 30/04/214, 31/01/214 and 20/11/2013.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• The nature and scale of further work at either of the projects havs not been determined.