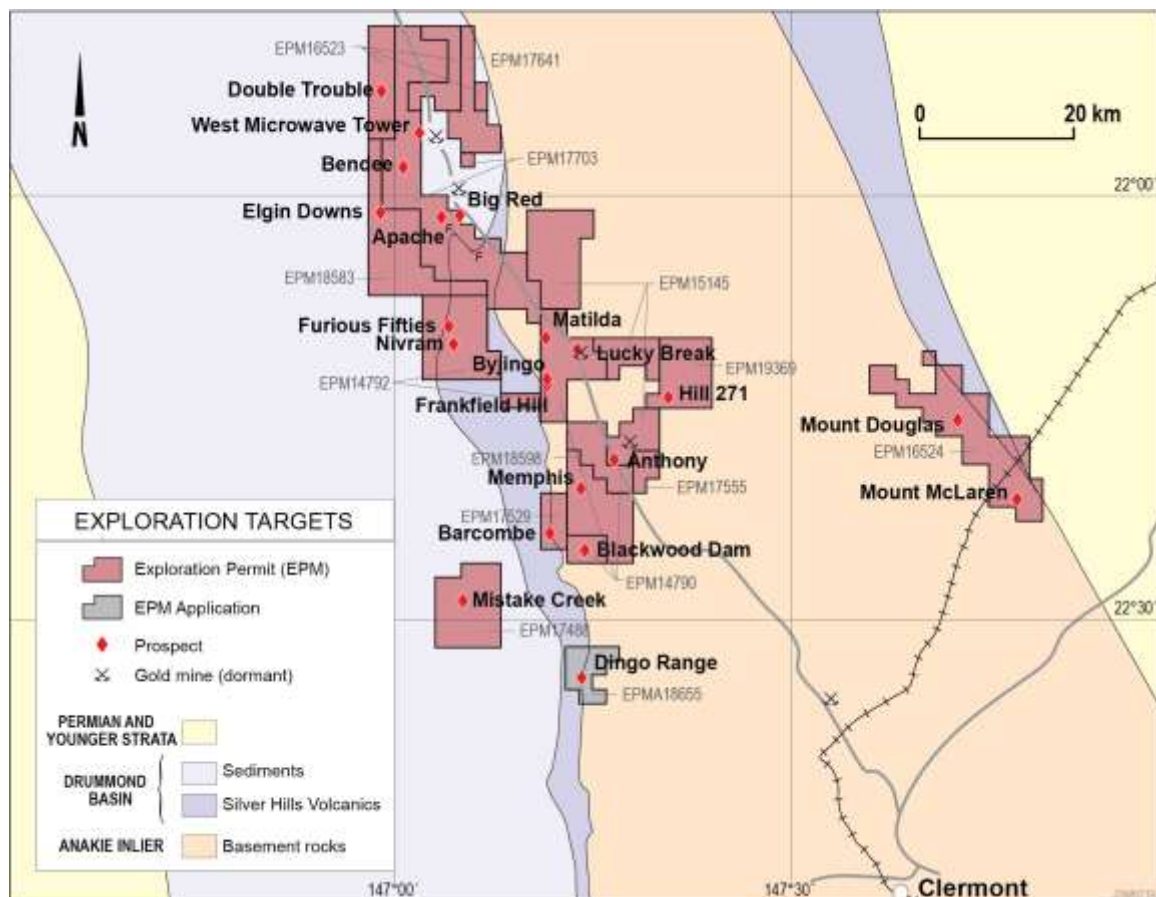


31 July 2012

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 June 2012

During the quarter, Zamia's exploration programs focussed on the gold and copper potential of a number of target areas.



*Figure 1. Zamia's tenement package highlighting exploration targets*

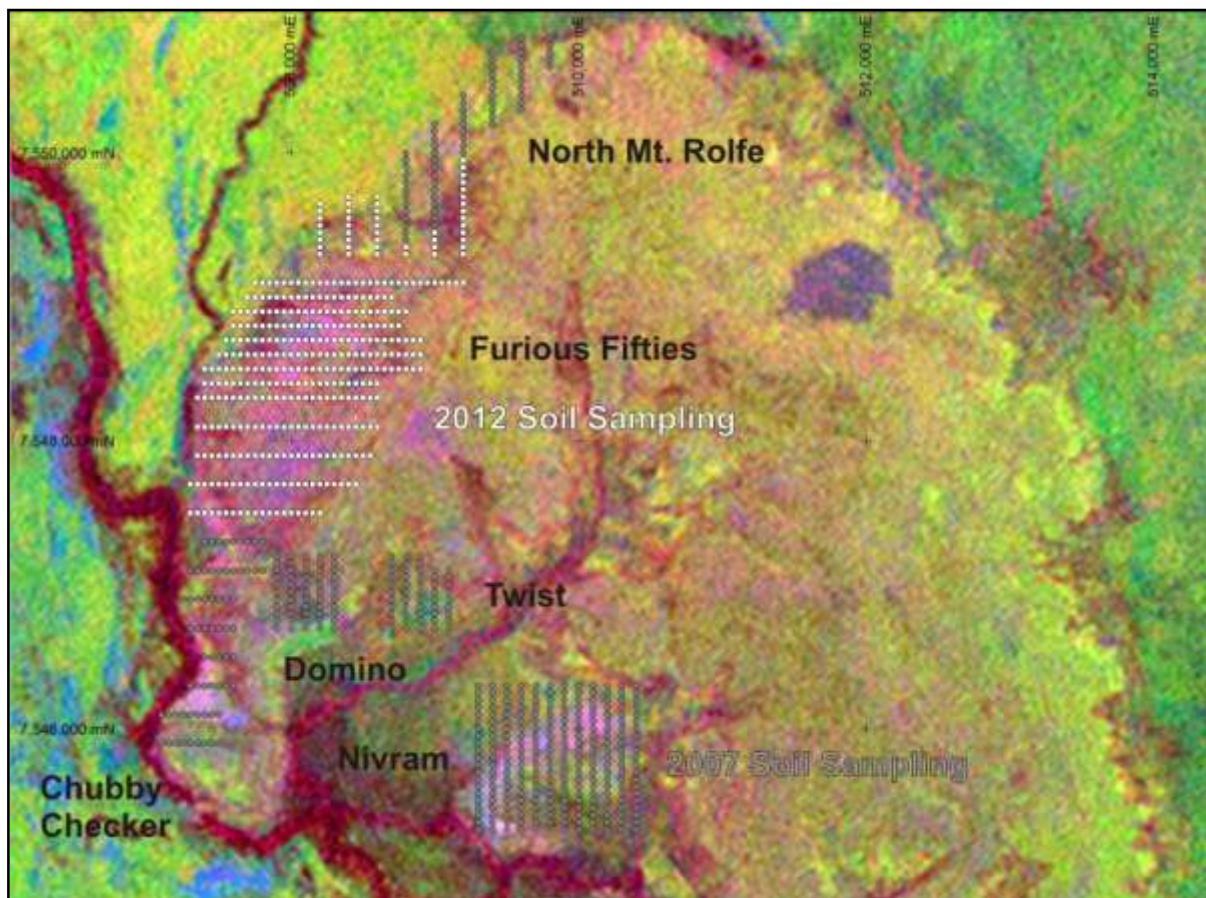
## REGIONAL EXPLORATION FOR COPPER-GOLD

### EPM 14792 - Mt Rolfe

The western margin of the preserved Mount Rolfe caldera is considered to be prospective for epithermal gold deposits. This target area, named the Furious Fifties prospect (see Figure 2), was explored by a mobile metal ion (MMI) soil sampling program.

Initially, samples were acquired in March 2012 and a second program of detailed infill sampling was carried out in April. The infill soil sampling was accompanied by geological outcrop mapping and rock chip sampling over a small target area of strong clay alteration evident in remote sensing data. The mapping identified lithic tuff, exposed in erosional windows along the western caldera margin, overlain by extensive rhyodacite flows to the east.

A total of 351 samples were despatched for assay. Results show a complex response with isolated gold (Au) and copper (Cu) anomalies. No outstanding geochemical target was delineated and no correlation with arsenic (As) or other base metals was identified. The MMI method has the potential to identify geochemical bedrock anomalies under cover. The success of the technique depends on the thickness and permeability of the cover and the amplitude of geochemical bedrock anomalies and therefore is not a stand-alone definitive tool.



**Figure 2.** Zamia's MMI soil geochemistry coverage over Mt. Rolfe, April 2012.

### EPM 17529 – Barcombe

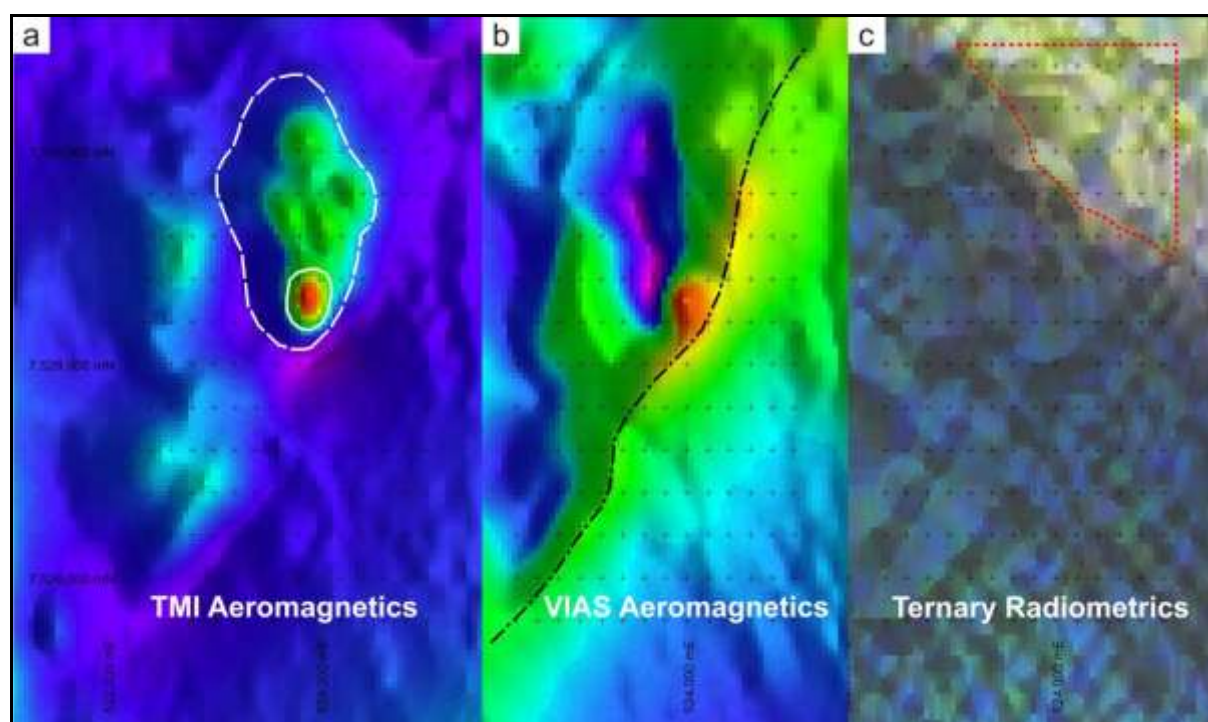
An IP survey was undertaken at EPM 17529 consisting of 6 IP arrays testing the prospective area in the southern half of the tenement. The geophysical interpretation of the results was announced in a separate ASX announcement on 7 June 2012. For this release go to [www.zamia.com.au](http://www.zamia.com.au).

### EPM 18598 – Cairo

The new tenement EPM 18598, Cairo, which borders EPM 15145 (Anthony project area) to the west covers an aeromagnetic anomaly, identified as the “Memphis” target and interpreted as a magnetic intrusive complex.

The magnetic intrusion, which is covered by clay-rich black soil and alluvial sediments of Miclere Creek, provides a target for porphyry-style mineralisation (see Figure 3). An MMI soil sampling program (totalling 195 samples) was carried out over this intrusive complex.

Analyses gave low gold concentrations, with a top reading of 2.20 ppb Au. Silver (Ag) and potassium (K) values are elevated (up to 100 ppm Ag) over the grid. Results for molybdenum (Mo) and zinc (Zn) highlight an area, to the south-southeast of the magnetic intrusion, which requires further investigation.



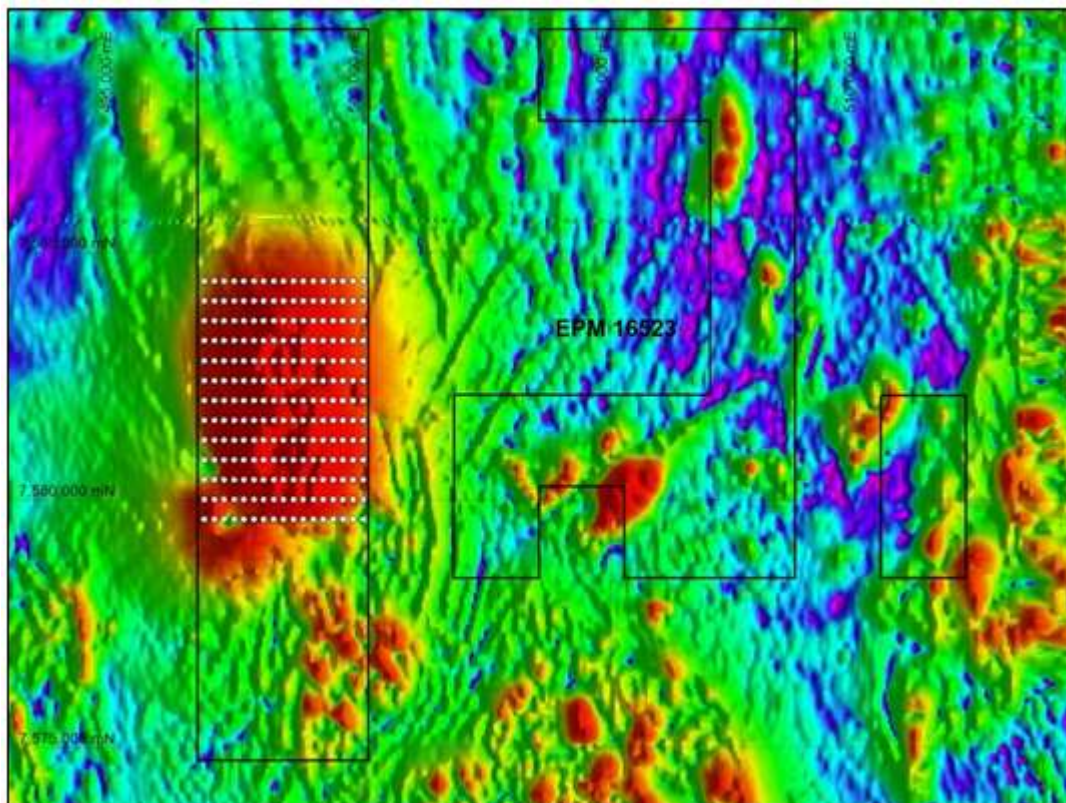
**Figure 3.** EPM 18598 – Memphis: MMI soil grid shown on (a) total magnetic intensity (TMI) aeromagnetic image (b) analytical signal of the vertical integral (VIAS) aeromagnetic image showing the tectonic structure (fault) facilitating emplacement of the Memphis intrusive body; (c) ternary radiometric image showing high-potassium sediments of Miclere Creek in the northeast corner.



### **EPM 16523 – Bullock Creek**

In the northern part of Zamia’s tenement area, a prominent magnetic mafic-ultramafic intrusive complex, named Double Trouble, was targeted for intrusion-related base metal mineralisation. MMI sampling was carried out over this twinned peaked magnetic anomaly and the surrounding rocks on the western portion of the tenement (Figure 4). A total of 219 MMI soil samples were despatched for broad spectrum trace element analysis following MMI weak acid leaching. Results are currently pending.

The soil sampling was followed up with geological mapping to the north, west and east of the two magnetic centres. Outcrop of the main intrusive bodies is scarce with the exception of the northern margin where both feldspar-rich and mafic gabbros are exposed in outcrop.



**Figure 4.** EPM 16523 - MMI soil sample grid on aeromagnetic imagery (analytical signal filter) data

### **EPM 17641 (Laurel Hills) and EPM 18598 (Elgin Downs)**

Literature research, based on the Queensland government’s exploration database of past company reports, has been completed for these two new EPMs, which were granted on 30 January 2012. Following completion of the land access process, field investigations of the mineral occurrences and areas of interest will be carried out.

## ANTHONY MOLYBDENUM PROJECT

Following the completion of the 2011 drilling at the Anthony Project, Zamia has been updating the drill hole database and completing detailed geological logging of all diamond drill core. At the Anthony site, surface disturbances have been rehabilitated.



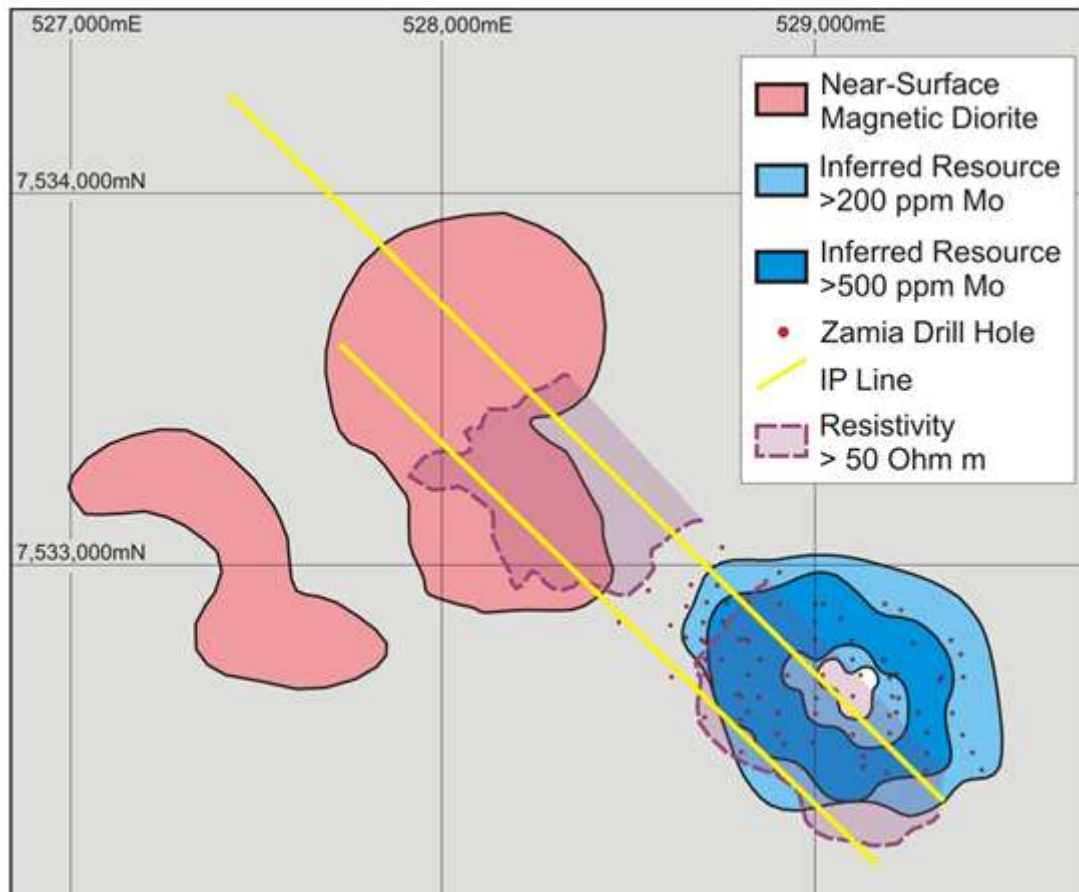
**Figure 5.** Detailed geological logging of Anthony diamond core

In order to better understand the geophysical properties of the Anthony molybdenum deposit, Zamia has acquired two lines of “roll-along” dipole-dipole Induced Polarisation (IP) data across the known deposit and the “Dead Horse Bore” magnetic anomaly located immediately to the north-west (Figure 6). The survey comprised two “roll-along” IP arrays totalling 4.8 km in length. Data from both acquired lines were used to produce a single 3D inversion model.

The model shows a broad chargeability high occupying the south-eastern half of the two IP lines, likely representing disseminated pyrite in the mineral system alteration halo. There are two pronounced resistivity high areas, separated by a planar zone of low resistivity trending perpendicular to the IP lines.

Based on existing drilling, the central resistivity low corresponds with a weakly altered monzonite intrusion, marking the north-western margin of the known deposit. The south-eastern resistivity high corresponds with altered intrusions and country rock underlying the Anthony deposit, while the north-western anomaly highlights a potentially prospective part of the mineral system yet to be tested by exploration drilling.

Dipole-dipole IP interpreted results indicate that the known Anthony porphyry deposit is underlain by a horizontal zone of coincident high resistivity and chargeability. The IP model revealed an untested area with similar geophysical properties, located to the north-west of the known molybdenum deposit.



**Figure 6.** IP survey lines over the Anthony molybdenum deposit and the Dead Horse Bore magnetic intrusive body.

## CORPORATE ACTIVITIES

Zamia has implemented some Board and Management changes to assist with the Company's operations while maintaining the same Board membership and company strategy.

Alan Humphris, a non-executive Director, has been appointed non-executive Chairman of the Company. Jordan Li, a senior executive of the Company, has been appointed Chief Executive Officer.

After having identified a large number of targets and carrying out initial low-cost exploration activities (geological mapping, geochemical surveys and geophysical surveys), Zamia is now in commercial discussions with potential Joint Venture (JV) partners in relation to continuing exploration of gold and copper targets.

Zamia is also in discussions with potential strategic partners and with companies which hold base metal and gold prospects outside the Clermont region.

A handwritten signature in black ink, appearing to read 'K. Maiden', with a large, stylized loop at the end.

Ken Maiden

Director

**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.