



QUARTERLY ACTIVITIES REPORT
For the Quarter Ended 31 March 2009

HIGHLIGHTS

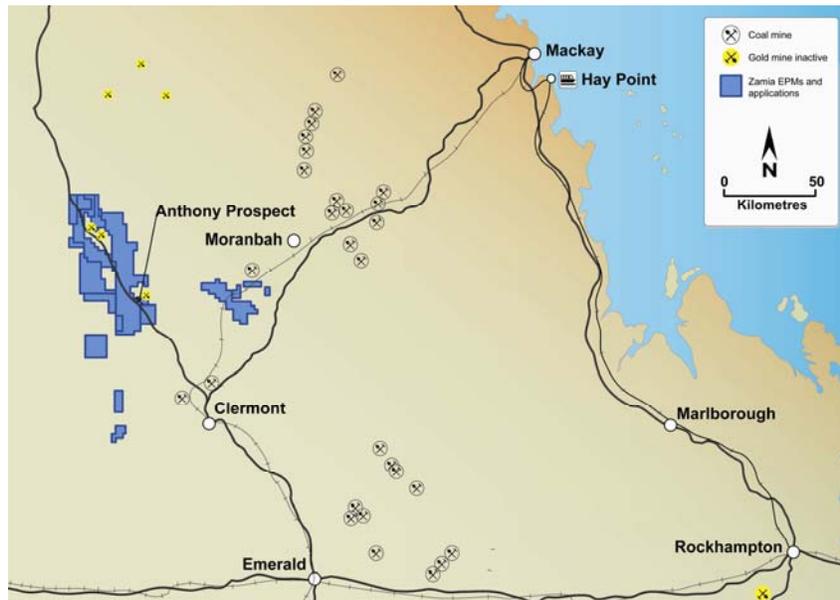
- **Strategic review undertaken of both gold and molybdenum targets**
- **Approached by several companies to joint venture into gold interests**
- **Quarter on quarter operating costs pared back further**
- **International Base Metals Limited increases equity stake to 13.1%**

Background

Zamia Gold Mines Limited (ASX-ZGM) is an Australian-based mineral exploration company. Wholly-owned subsidiary, Zamia Resources Pty Ltd, holds a portfolio of tenements in the Clermont district of central Queensland, primarily to explore for molybdenum, gold and base metal deposits in the Drummond Basin.

Following a review of past exploration data, soil geochemical sampling and an initial drilling programme, a significant porphyry-style molybdenum deposit was discovered at the Anthony prospect, located 75 km north of Clermont.

Since October 2008, ZGM has reduced its activities very substantially to conserve its funds. However, the Company remains committed to its exploration focus in the Clermont district and expects to be able to resume resource drilling on the Anthony prospect before mid-2009.



Location map of Zamia Resources' exploration tenements

Exploration Activities

During the March quarter, ZGM continued geological assessment of the Anthony prospect and planning for resource drilling. Field work has been restricted to rehabilitation of drill sites and ongoing trials on the potential use of molybdenum oxide mineralisation as a soil additive to suppress introduced weed species.

Exploration Tenements

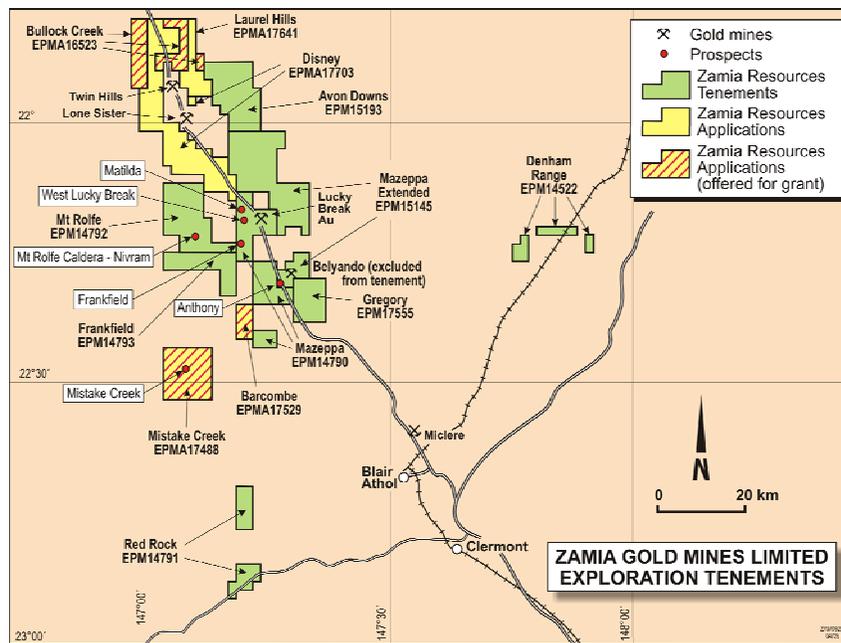
The following changes to Zamia Resources' tenement position have taken place:

Applications proposed

- EPMA 17488 Mistake Creek, consisting of 36 sub-blocks, was offered for grant on 6 January 2009.
- EPMA 17529 Barcombe, consisting of 8 sub-blocks was offered for grant on 2nd February 2009.

Renewals and reductions

During the quarter, a partial reduction application was submitted and approved for EPM 14792 Mt Rolfe for year 4 of title commencing 12 March 2009. The application proposed a reduction from 69 to 43 sub-blocks.



Zamia Resources tenement position

Corporate Activities

During the period the Company received several approaches from listed and unlisted companies interested in joint venturing into its gold prospects. Confidentiality Undertakings have been exchanged and due diligence is on going and Directors anticipate receiving at least one proposal during the June quarter.

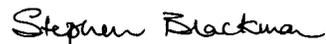
At the Extraordinary General Meeting in late December 2008, shareholders approved the payment by shares in lieu of cash to International Base Metals Limited (IBML) under the management contractual obligations. In line with this approval, ZGM has issued 1,850,702 to IBML bringing its shareholding to 13.1%. There are further issuances to fully account for the total costs of the quarter.

Operating Costs for the period have been minimised to conserve the cash position of the Company.

The escrow period for the original promoters ended on 10 January 2009. The two main beneficiaries have sold a substantial portion of their holdings which has severely weakened the share price in the face of a lack of new exploration news.

The Board has undertaken a thorough review of each of the Company's tenements and their exploration potential. The Company is actively seeking additional funding to re start exploration programmes for both its gold and molybdenum targets believing that its tenement position is of significant value and is extremely well placed logistically for accelerated development.

For and on behalf of the Board,



Stephen E Blackman
Chairman

Dr Ken Maiden (MAIG, FAusIMM), compiled the technical aspects of this report. Dr Maiden is a Director of Zamia Gold Mines Limited. He is a Member of the Australian Institute of Geoscientists and a Fellow of the Australasian Institute of Mining and Metallurgy. He has sufficient experience that is relevant to the styles of mineralisation and types of deposits under consideration and to the activities that are being reported on to qualify as a Competent Person as defined in the September 2004 edition of the "Australasian Code of Reporting of Mineral Resources and Ore Reserves". Dr Maiden consents to the inclusion of the matters in the form and context in which they appear.