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31 January 2018

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

ZAMIA METALS LIMITED: QUARTERLY ACTIVITIES REPORT FOR THE QUARTER ENDED 31 DECEMBER 2017

OCCUPATIONAL HEALTH AND SAFETY

There were no lost-time or injury incidents during the Quarter.

CORPORATE ACTIVITIES

Annual General Meeting

The Annual General Meeting of Zamia Metals Limited (the **Company** or **Zamia**) was held on 30 November 2017. Details of the resolutions and voting may be found on the Company website.

Update on the proposed acquisition of Kirkham International Pte Ltd

As announced on 11 October 2016, Zamia entered into a binding share sale and purchase agreement (SSPA) with the shareholders of Kirkham International Pte Ltd (Kirkham Vendors) to acquire 100% of the issued shares in Kirkham International, subject to satisfaction of certain conditions precedent (the **Acquisition**). Kirkham owns 95% of PT Borneo Prima Coal Indonesia, an Indonesian company which holds a mining permit for the Muara Teweh coking coal project in Central Kalimantan, Indonesia. The Kirkham Acquisition is subject to satisfaction of conditions including a prospectus capital raising, regulatory and shareholder approvals. On 20 July 2017, the Company announced that the terms of the SSPA had been varied to reflect an increase in the consideration payable by the Company to the Kirkham Vendors to \$32,000,000, in order to reflect commercial factors and the advanced stage of Kirkham's operations. A Second Deed of Variation extended the Sunset Date of the SSPA to 31 January 2018.

On 30 November 2017 the Company announced the decision by the ASX to exercise discretions under ASX Listing Rules 1.19 and 2.9 to not grant admission and quotation. As a consequence of this, the Company was unable to satisfy the conditions precedent as described in the SSPA including the Sunset date, resulting in the SSPA being terminated.

Despite this setback, your directors have continued to progress the Acquisition with Kirkham and it is the current intention of the parties to, initially, finalise the purchase by Zamia of Kirkham and then, at an appropriate date, seek quotation of its securities on ASX. Negotiations are continuing between the parties but have yet to be concluded. If and when a new SSPA is entered into between the parties, your directors believe that the Acquisition will enable our shareholders to participate in a larger company with the ultimate intention of creating a public market for their shares. This transaction will require, amongst other things, the convening



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of an extraordinary general meeting and approval by shareholders. The Company will continue to inform shareholders of progress made by your directors on this proposed transaction.

CENTRAL QUEENSLAND EXPLORATION

Exploration Tenements

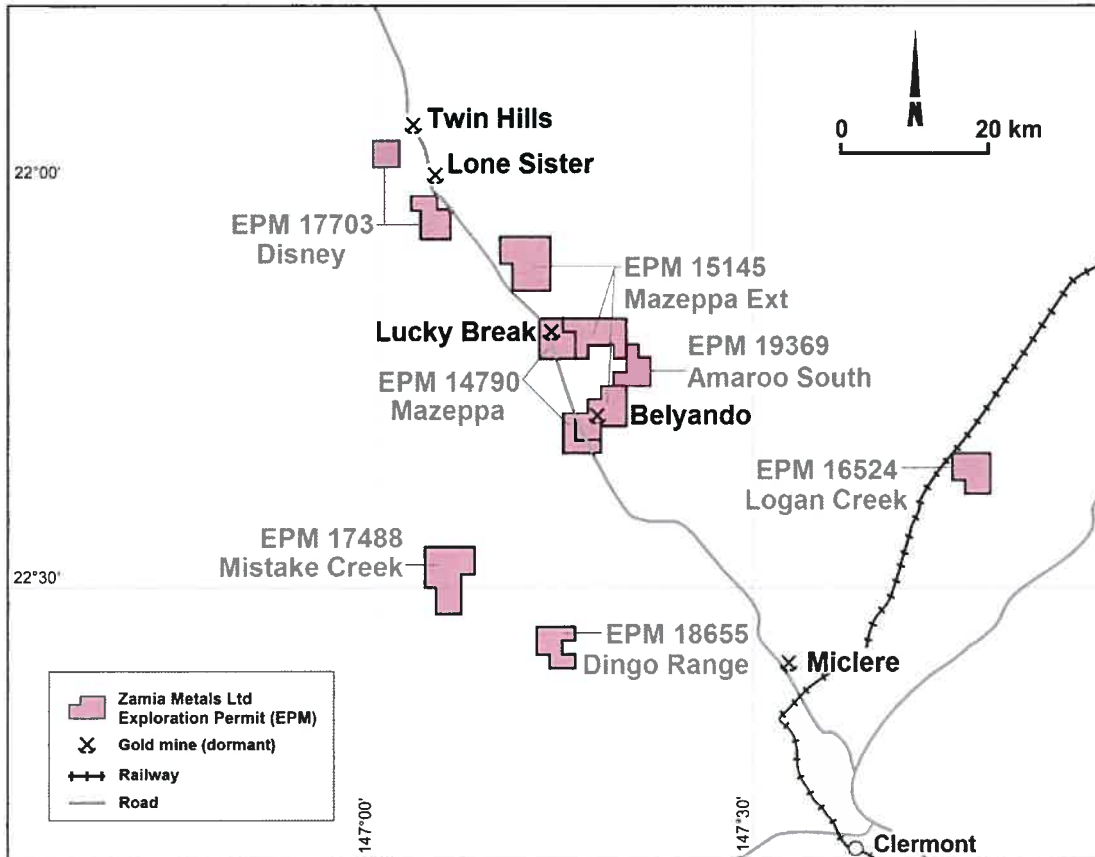
A number of Exploration Permits for Minerals are held by Zamia Resources Pty Ltd, a controlled entity of Zamia.

Tenement No	Project Name	Grant Date	Expiry Date	Status at 31.01.2018	Area km ² at 31.01.2018
EPM 14790	Mazeppa	12.01.2006	11.01.2021	Year 12	41
EPM 15145	Mazeppa Extended	11.08.2006	10.08.2022	Year 12	57
EPM 17488	Mistake Creek	05.11.2009	04.11.2017	Year 8	25
EPM 16524	Logan Creek	23.12.2010	22.12.2020	Year 7	25
EPM 17703	Disney	30.01.2012	29.01.2022	Year 6	32
EPM 19369	Amaroo South	30.01.2012	29.01.2022	Year 6	19
EPM 18655	Dingo Range	29.05.2014	28.05.2019	Year 4	22
TOTAL					221

Exploration Activities

Belyando Gold Project: Planning continues for a gradient array I.P. survey and other fieldwork. It is the intention of the directors that the survey will be conducted if and when funds become available, as such a survey will assist in the determination of drill targets in and around Belyando.

Porphyry copper-gold targets: Zamia continues to seek a joint venture partner to fund follow-up exploration on identified targets.



Exploration permits held by Zamia Resources Pty Ltd as at 30 September 2017



Andrew Skinner
 Executive Chairman, Zamia Metals Limited

Competent Person Exploration Content Statements only by:



Dr Ken Maiden
 Consultant, Zamia Metals Limited



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Competent Person Statement

Dr Ken Maiden, MAIG, a former 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". Dr Maiden consents to the inclusion of the matters in the form and context in which they appear and takes responsibility for data quality.