



## AUSTRALIAN RESOURCES & INVESTMENT

VOLUME 5 NUMBER 2 • MAY 2011

PRINT POST APPROVED PP 340742/00159

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### FEATURE PRESENTATIONS:



**Professor Bob Carter,**  
James Cook  
University



**Todd Hannigan,**  
Aston Resources



**Gina Rinehart**

# Rare earths rush



- **Tony Featherstone: index investing vs boom chasing**
- **Seismic spikes in oil, by Jeff Hutton**
- **Women seeing themselves in resources, Queensland Resources Council**



# Zamia Metals Limited (ASX: ZGM)

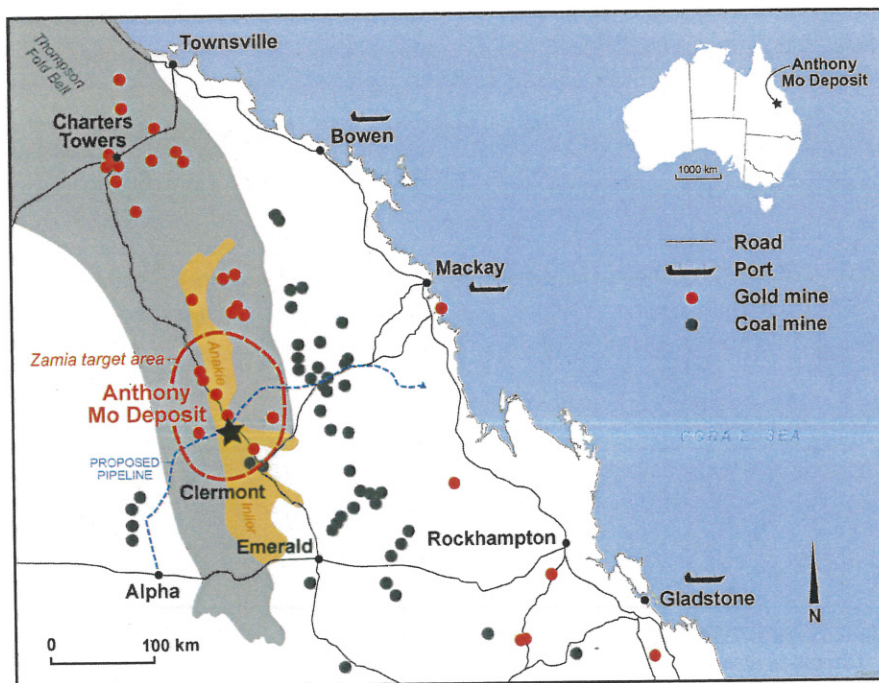
**Zamia Metals announces a 56% increase in high grade sulphide Mo compared to previous estimate.**

**Z**amia Metals Limited first evolved in 2006 as Zamia Resources Pty Ltd, a wholly-owned subsidiary of International Base Metals Ltd, established for the purpose of exploring known occurrences of gold and additional geochemical and geophysical anomalies in central Queensland's historically-rich Clermont mineral province.

Four years after listing on the Australian Stock Exchange as Zamia Gold Mines, the Sydney-based junior changed its strategy – and its name – to reflect the discovery in 2008 of the world-class Anthony molybdenum (Mo) deposit within its original tenement package.

February 2011 results from Zamia's drill programme at the Anthony deposit have increased its resource in the primary sulphide zone (ASX Release of 25 February 2011). The results, as compared to the previous resource statement in September 2010, were:

- ▶ At 200 ppm (0.02%) Mo cut-off grade, the resource increased 38% to 173 Mt at 430 ppm Mo which relates to 163 million lb of contained metal;



- ▶ At 600 ppm cut-off grade, the sulphide resource increased 56% to 20 million tonnes (Mt) at 810 parts per million (ppm) Mo.

Zamia's mining consultants have provided preliminary pit shells at varying Mo prices and resource estimates are now only being reported if they occur within a pit shell. This provides a conservative estimate as there is a potential for significant additional resources outside these initial pit shell designs.

Exploration drilling is continuing, with two rigs currently on-site.

While Zamia's principal focus has been to expand the resource at Anthony, ongoing metallurgical test work at labs in Brisbane and Perth has demonstrated two things:

- ▶ Low grade material can be pre-concentrated very cheaply to about 1,000 ppm Mo to produce feedstock for the expensive grinding and flotation parts of the processing cycle; and
- ▶ Flotation studies have indicated the ability to produce a high-quality concentrate (50% Mo) with very low concentrations of potentially-deleterious elements such as arsenic

and lead.

Molybdenum is not a well known metal and yet demand for molybdenum is forecasted to grow at 4.3% pa up to 2014. The principal growth engines will be the increased use of molybdenum in stainless and construction steels in process, power and desalination plants as well as oil and gas pipelines, railway lines, etc. The price has been forecast by several research houses to grow from the current level of about US\$17 per lb to between US\$30 and \$40 per lb by 2014 when Anthony is due to commence production.

Zamia is currently undertaking a scoping study for a molybdenum mining and processing operation based on the Anthony resource. The scoping study includes preliminary mine planning, processing options, infrastructure requirements and options, environmental study, preliminary CAPEX and OPEX estimates, and preliminary financial analysis.

The company is continuing exploration, including diamond drilling, around Anthony to test for other porphyry deposits and is testing other targets (for gold, molybdenum and copper) within the Clermont district.







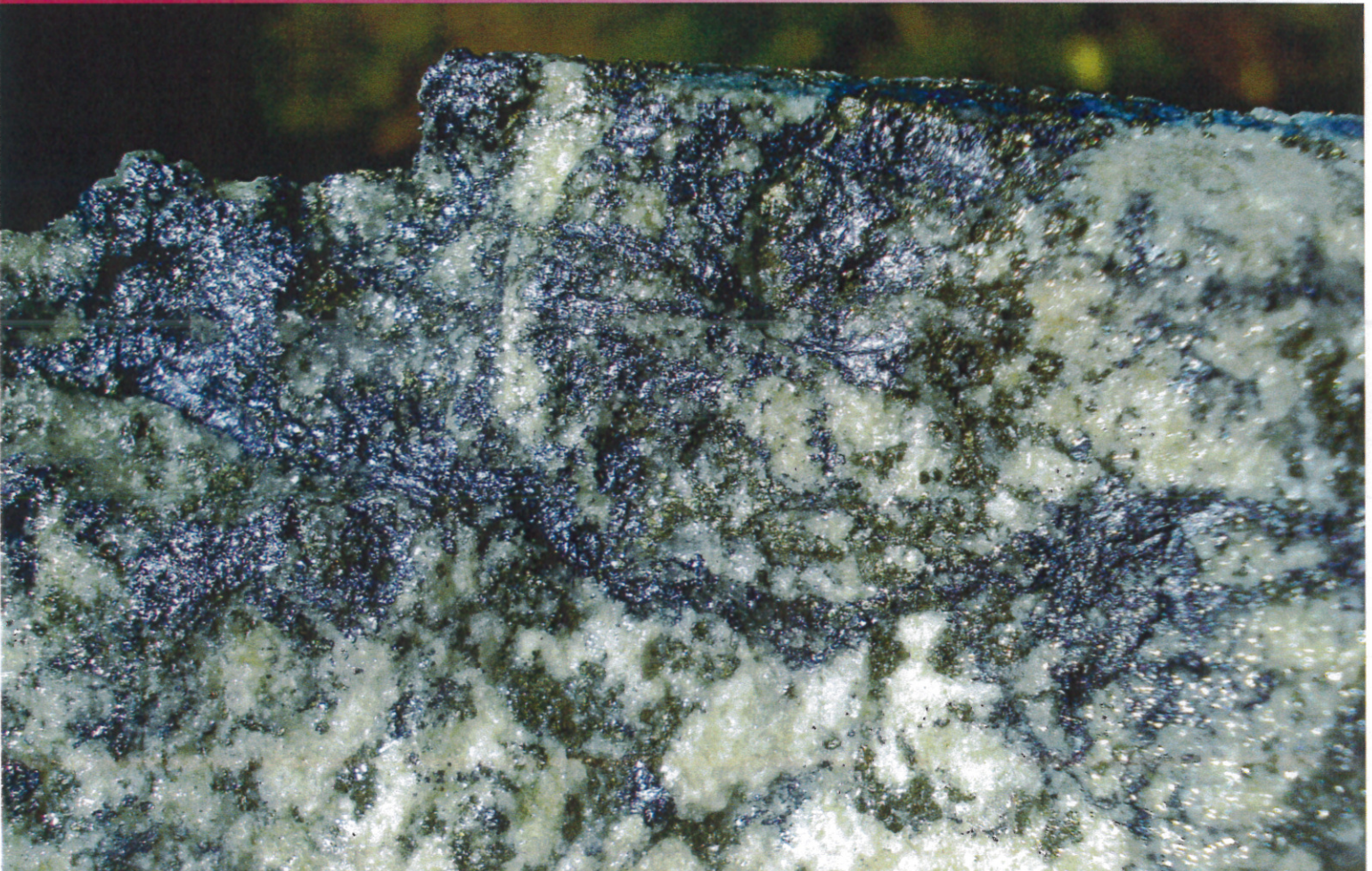
**ZAMIA**  
METALS LIMITED

# Anthony **Molybdenum** Deposit

CENTRAL QUEENSLAND, AUSTRALIA



- Large resource
- High grade zones
- Likely resource expansion
- Positive metallurgical characteristics
- Favourable location
- Excellent infrastructure
- Scoping study in progress
- Feasibility study planned for 2011
- Experienced management team



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