



ZAMIA GOLD

MINES LIMITED

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ACN 120 348 683

SECOND SUPPLEMENTARY PROSPECTUS

Introduction

This Second Supplementary Prospectus contains amendments to and supplements the prospectus lodged by Zamia Gold Mines Limited (**Zamia Gold**) with the Australian Securities and Investments Commission (**ASIC**) on 3 November 2006 (**Prospectus**) and the supplementary prospectus lodged by Zamia Gold with the ASIC on 11 December 2006 (**Supplementary Prospectus**). The Prospectus offers for subscription 20,000,000 ordinary shares in the capital of Zamia Gold at an issue price of 20 cents each with a view to raising \$4,000,000.00.

This Second Supplementary Prospectus must be read together with the Prospectus and the Supplementary Prospectus. To the extent of any inconsistency between this Second Supplementary Prospectus and the Prospectus and the Supplementary Prospectus, this Second Supplementary Prospectus prevails. Terms and conditions defined in section 11 of the Prospectus have the same meaning where used in this Second Supplementary Prospectus.

This Second Supplementary Prospectus is dated 19 December 2006. A copy of this Second Supplementary Prospectus was lodged with ASIC on that date. Neither ASIC nor ASX take responsibility for the contents of the Second Supplementary Prospectus.

The Directors believe that the modifications in this Second Supplementary Prospectus are not materially adverse from the point of view of an investor and that the Company need not comply with the provisions of section 724(2) of the Corporations Act with respect to the Prospectus.

Additional Information

1. Reason for this Supplementary Prospectus

As noted in Section 9.1.4 of the Prospectus, on 13 October 2006, Zamia Gold issued 16,025,000 ordinary shares to the shareholders of International Base Metals Limited (IBML) in direct proportion to their existing shareholdings in IBML for a total consideration of \$2.

The Prospectus (as supplemented by the Supplementary Prospectus) incorrectly states the number of shares held by the Directors, Stephen Blackman and Matthew Stephens.

The Directors confirm that the same amount of Zamia Gold shares have been issued to IBML shareholders, namely, 16,025,000 shares.

This Second Supplementary Prospectus addresses the changes to the Prospectus (as supplemented by the Supplementary Prospectus) required as a consequence.

This is a supplementary prospectus to be read in conjunction with the Prospectus dated 3 November 2006 (as supplemented by the supplementary prospectus dated 11 December 2006) issued by Zamia Gold Mines Limited and relating to an offer of shares in Zamia Gold Mines Limited.



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2. Section 9.11 – Directors' Interest in Securities

The details set out in the table in section 9.11 of the Prospectus relating to directors' interests in securities is now replaced by the following table:

| Director | Number of Shares Held | | Number of Director Options Held | |
|--------------------------|-----------------------|------------|---------------------------------|------------|
| | Directly | Indirectly | Directly | Indirectly |
| Peter John Bradfield | - | 350,000 | - | 1,000,000 |
| Stephen Edward Blackman | 195 | 2,274,467 | - | 250,000 |
| Andrew Skinner | - | 150,000 | - | 250,000 |
| Matthew Francis Stephens | 2,557,069 | - | 500,000 | - |
| John Stanley Newton | - | - | 500,000 | - |

3. Section 8 – Investigating Accountant's Report

The Directors note the following in relation to Brentnalls Assurance's Investigating Accountant's Report dated 1 November 2006:

- the table titled, "Shares issued to Related Parties" (reproduced on page 67 of the Prospectus) is amended to show the number of shares held by Stephen Blackman and Matthew Stephens as a result of the de-merger of IBML as being 2,274,662 and 557,069 respectively. As a consequence, the total number of shares issued to related parties is 8,331,731 shares.
- the table under the heading "Contributed Equity and Options, including Related Party Transactions" (reproduced on page 74 of the Prospectus) is amended to show the number of shares held by "Directors/ Officers (Related Parties)" as being 8,331,731 shares, and the number of shares held by other "Shareholders of IBML" as being 13,193,269 shares.

The Directors note that these amendments in relation to the IBML shareholders have been reported to the Investigating Accountant, Brentnalls Assurance.

4. Consents

Brentnalls Assurance has given their written consent to being named in this Second Supplementary Prospectus in the form and context in which they are named.



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5. Director's Authorisation

This Second Supplementary Prospectus is issued by Zamia Gold and has been approved by resolution of the Directors. Pursuant to section 720 of the Corporations Act, all the Directors of Zamia Gold have given their consent to the lodgement of this Second Supplementary Prospectus.

Dated: 19 December 2006

Peter J Bradfield
Chairman
Zamia Gold Mines Limited