ZAMIA GOLD
MINES LIMITED

26 April 2007

Centralised Company Announcements Office
Australian Stock Exchange Limited
20 Bridge Street
Sydney, NSW 2000

Dear Sir

ZGM010 – ZAMIA GOLD NEW EXPLORATION PRIORITIES

Zamia Gold Mines Limited ("Zamia") is beginning a program of intensive geochemical and Induced Polarisation surveys of five targets – two of which are completely new – in its Clermont tenements in Central Queensland.

Until now Zamia's main exploration focus has been on two former gold mines at Lucky Break and Belyando. Its revised priorities include additional exploration activities within these sites as well as new priorities identified following the acquisition last month of aeromagnetic and radiometric survey data over its Clermont ground.

The company was not aware of the existence of these surveys when it listed in January 2007.

The detailed aeromagnetic data covers both the Lucky Break and Belyando mines and all of the terrain that is prospective for epithermal gold mineralisation within the company's tenements along the eastern margin of the Drummond Basin. Zamia now possesses complete geophysical coverage of all of their tenements and as a consequence now has a far better understanding of the geology in the area, which is characterised by extensive superficial deposits and very poor exposure of the underlying geology.

After studying these data sets, Zamia has decided to give higher priority to five targets named Dead Horse Bore/Belyando, Sally Anne, Mt Rolfe North, Mt Harris and Frankfield East.

Dead Horse Bore was nominated in Zamia's Prospectus as a high priority target and Sally Anne is a known copper-gold occurrence, but Mt Rolfe North, and Frankfield East are completely new targets identified from the aeromagnetic surveys.

Dead Horse Bore, two kilometres south-west of Belyando, is a fractured and altered diorite intrusion which, from the new higher quality aeromagnetic data, appears to form the core of a complex dome structure within the Anakie Inlier metamorphic rocks. Zamia has now

Zamia Gold
Mines Limited
GPO Box 4147
Sydney NSW
2001 Australia

T: (+61) 2 8223 3777
F: (+61) 2 8223 3799
E: info@zamiagold.com.au
W: www.zamiagold.com.au
A.C.N. 120 348 683

ZAMIA GOLD
MINES LIMITED

interpreted the structural control to the gold mineralisation at the old Belyando mine as being related to this dome structure around the Dead Horse Bore intrusion. Zamia intends to use IP (Induced Polarisation) surveys to explore and identify drill targets in the dome structure between the old Belyando mine and Dead Horse Bore, including the contact zone around the diorite intrusion as outlined in its Prospectus.

However, Dead Horse Bore alone cannot offer enough work to attract a drilling contractor, so will have to be held in readiness until some of Zamia's other targets are explored sufficiently to justify drilling.

Sally Anne lies in the Mt McLaren EPM some 90 km ESE of the Mt Rolfe volcanic complex. The host rocks are interpreted as submarine erupted and esitic lavas and hyaloclastite breccias with some sediment intervals. Gossan samples from the Sally Anne prospect are currently at the laboratory but samples from nearby assayed up to 0.3% copper and also returned elevated levels of tin, gold, molybdenum, tungsten and lead, which is consistent with volcanic hosted massive sulphide mineralisation. Sally Anne covers a magnetic high that may be due to magnetite and pyrrhotite alteration. The best known example of this style of mineralisation in Queensland is the Mt Morgan mine, which is hosted in volcanic rocks of similar composition and age. Zamia noted in its Prospectus that Sally Anne had been drill tested by Queensland Metals Corporation in 1993. The most encouraging intersections were 5m @ 1.57 g/t gold, 6m @ 2.64 g/t gold and 2m @ 2.88 g/t gold. Copper assays of up to 4% were also present in outcrop, as were traces of tin, tungsten, molybdenum and bismuth.

Mt Harris was initially located as a spectral anomaly, the signature of which indicated the presence of clays produced by hydrothermal alteration over an outcrop area 900m x 500m.Zamia intends to begin geochemical soil sampling to detect any zones of gold mineralisation within the outcrop. The recently acquired aeromagnetic data implies that Mt Harris falls within an apparent area of magnetite destruction as a consequence of hydrothermal alteration that is located on the outer ring fault of the larger caldera within the Mt Rolfe volcanic complex. An IP survey will be required over the entire prospect area.

Frankfield East is a target identified from the recently acquired aeromagnetic data. It covers 1 sq km of apparent magnetite destruction as a consequence of hydrothermal alteration, 5.5 km east of Frankfield Homestead. It is located on the intersection of a prominent lineament and the edge of the outer caldera rim within the Mt Rolfe volcanic complex. The area is covered by transported overburden and will require an IP survey to define drill targets.

Mt Rolfe North was identified from the aeromagnetic data as a possible area of magnetite destruction as a consequence of hydrothermal alteration around a small magnetic intrusion at the northern apex of the inner caldera ring fault within the Mt Rolfe volcanic complex. Geochemical soil sampling over about 3.75 sq km of the area , followed by an IP survey, is planned.

Zamia Gold
Mines Limited
GPO Box 4147
Sydney NSW
2001 Australia

T: (+61) 2 8223 3777
F: (+61) 2 8223 3799
E: info@zamiagold.com.au
W: www.zamiagold.com.au
A.C.N. 120 348 683

ZAMIA GOLD
MINES LIMITED

Work will also continue on Lucky Break. The assay results of the 5 metre composite initial drill program were announced on March 30 and the final 1 metre assay results were released on April 23. The aeromagnetic surveys have revealed the signatures of two significant low magnetic anomalies to the northeast and south of Lucky Break, indicating there is scope for more mineralisation in the vicinity of the old mine, although it is covered by shallow transported material. The apparent magnetite destruction associated with these anomalies is consistent with mesothermal gold mineralisation but is much larger than would be expected from the known mineralisation. The bulk of the magnetic anomaly is to the north of the mine and further gold mineralisation may also be present along other related shear zones. Zamia will conduct further soil sampling and possibly IP surveys there before resuming drilling.

Peter J Bradfield
Executive Chairman

For further information please contact:

Peter Bradfield
or
Geoff Broomhead - Company Secretary on (02) 8223 3777

Disclaimer

Mr M.F Stephens (B.App Sci – Geology), a geologist employed full time by Zamia Gold Mines Limited, complied the technical aspects of this report. Mr. Stephens is a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity that is being reported on to qualify as a Competent Person as defined in the 2004 edition of the "Australasian Code of Reporting of Mineral Resources and Ore Reserves". Mr Stephens consents to the inclusion of the matters in the form and context in which it appears.

Zamia Gold
Mines Limited
GPO Box 4147
Sydney NSW
2001 Australia

T: (+61) 2 8223 3777
F: (+61) 2 8223 3799
E: info@zamiagold.com.au
W: www.zamiagold.com.au
A.C.N. 120 348 683