

8 April 2008

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

Dear Sir

### **ZGM 2008/013 - NEW HIGH GRADE MOLYBDENUM RESULTS**

The Anthony prospect in Central Queensland continues to deliver excellent intersections of molybdenum (Mo) in the recently completed initial 13 hole scout drilling program. Previously, assays for 9 holes and part of one other (RC08A 003) were reported on 12 March 2008.

- In the latest results high grade intersections were achieved :
  - **RC08A 012 was an outstanding hole averaging 860ppm over 150m (the length of hole), including 75m at 1103ppm Mo (0.11%) and 6m at 3015ppm (0.302%)**
  - **RC08A 011 averaged 483ppm over 150m (length of hole), 654ppm from 96 to 150m including 3m at 1625ppm (0.163%).**
  - **RC08A 003, now fully assayed, averaged 514ppm over 150m (length of hole), including 3m at 1850ppm (0.185%) - reported on 12 March 2008.**
- All 12 holes analysed so far contain sections with Mo grades exceeding 200ppm - the recently announced cut-off grade for Moly Mines' Spinifex Ridge project in Western Australia.
- Based on the scout drilling program the Company has developed a conceptual target of about 100 million tonnes of open pit mineralisation. For the next stage in defining the deposit the Company is currently negotiating a diamond drilling contract with drilling anticipated to commence by early May.



**Colin Seaborn**  
**Executive Director**



**R N (Sam) Lees**  
**Executive Director – Technical**

## Exploration Results

On 12 March 2008, **Zamia Gold Mines Limited (ZGM)** reported the results from nine holes (and parts of RC08A003) completed in its initial drilling program at the Anthony prospect.

The drilling program has now been completed and visible molybdenum mineralisation, as molybdenite ( $\text{MoS}_2$ ) is noted in 11 of 13 drill holes. Results have been received for all except the last hole. Figure 1, a contour map of soil sampling results showing the location of the drill holes is attached. Drilling extends over an area 550m east –west by approximately 250m north-south.

The latest results include **very high grade results** from RC08A 012 (hole 12), a vertical hole. As shown on Figure1, hole 12 is 100m north of RC08A 008 (hole 8) which also contained high grade mineralisation. The high grade results from holes 8 and 12 indicate **a zone of high grade mineralisation** exists close to the current western edge of the deposit.

RC08A 011 (hole 11) located 100m south of hole 8, is also well mineralised. Hole 11 is drilled at -60 degree to the north. RC08A 013 is located 100m west of hole 8 and drilled at an angle of -60 degree to the east.

The additional results from RC08A 003 also confirm a **second zone of high grade mineralisation** at the eastern end of the drilled area. This **zone is open to the east** as for logistical reasons drilling is yet to be undertaken east of the Gregory Highway.

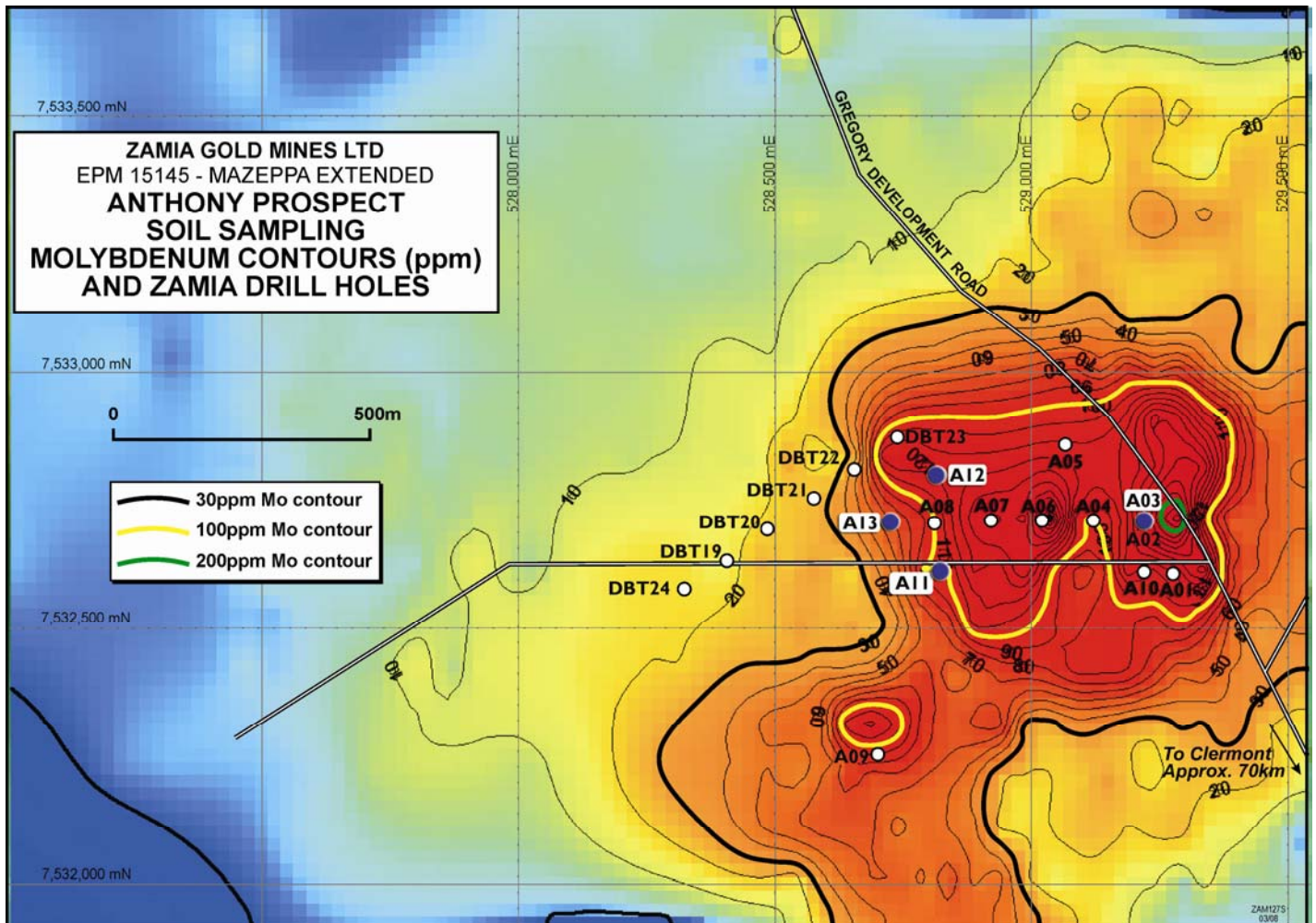
Grades exceeding 200ppm Mo are intersected in each of the 12 holes assayed to date. Table 1 details the drilling results achieved.

ZGM is currently in negotiations with drilling companies for a diamond drilling contract to commence by early May 2008. This program will test the mineralisation to a vertical depth of at least 250 metres and elucidate the geology of the host intrusive complex. In conjunction with the diamond drilling program a more extensive RC percussion drilling is being planned to systematically drill the deposit to define its extent.

ZGM management believes the Anthony deposit is a significant molybdenum discovery with the potential to be a very large deposit. The Company believes that its conceptual target of 100 million tonnes (range 50Mt to 150Mt) of mineralisation that could be developed by open pit methods is realistic. ZGM is systematically evaluating the discovery with the aim of releasing an initial resource statement by the end of 2008.

Mr R N (Sam) Lees (FAIG, FAusIMM), compiled the technical aspects of this report. Mr Lees is Technical Director, Zamia Gold Mines Limited. Mr Lees is a Fellow of the Australian Institute of Geoscientists 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 September 2004 edition of the “Australasian Code of Reporting of Mineral Resources and Ore Reserves”. Mr Lees consents to the inclusion of the matters in the form and context in which it appears.

Figure 1



**TABLE 1 – ANTHONY RESULTS SUMMARY**

HOLE NO	DEPTH	FROM	TO	WIDTH	PPM Mo	COMMENTS
RC08A 001	150	0	150	150	514	
		0	60	60	478	weathered
		60	150	90	538	all sulphide
	including	96	135	<b>39</b>	<b>642</b>	
		123	126	<b>3</b>	<b>1430</b>	
RC08A 002	150	0	150	150	497	
		0	81	81	515	weathered
		81	150	69	475	all sulphide
	including	81	120	<b>39</b>	<b>603</b>	
		105	108	<b>3</b>	<b>1065</b>	
RC08A 003	150	0	150	150	514	
		0	78	78	466	
		78	150	72	566	
	including	114	117	<b>3</b>	<b>1850</b>	
RC08A 004	150	24	27	3	222	weathered
		132	135	3	264	sulphide
		141	147	6	232	
RC08A 005	150	0	150	150	345	
		0	69	69	346	weathered
		69	150	81	344	sulphide
RC08A 006	150	0	12	12	236	
		81	84	3	275	
		138	141	3	388	
RC08A 007	132	0	69	69	389	weathered
	including	33	39	<b>6</b>	<b>684</b>	
		72	84	12	237	sulphide
		93	96	3	287	
		105	108	3	326	
RC08A 008	144	0	144	144	590	
		0	63	63	608	weathered
		63	144	81	576	all transition and sulphide
	including	63	84	<b>21</b>	<b>827</b>	transition
		69	72	<b>3</b>	<b>1480</b>	
		117	120	<b>3</b>	<b>1920</b>	sulphide
		129	132	<b>3</b>	<b>1390</b>	
RC08A 009	150	0	9	9	255	all weathered
		54	60	6	208	
		147	150	3	Low	<b>37.3g/tAg, 0.67%Pb, 0.18g/tAu</b>
RC08A 010	150	0	111	111	400	weathered
		111	150	39	268	sulphide
RC08A011		0	150	150	483	
		0	63	63	251	Weathered
		63	96	33	430	transition
		96	150	<b>54</b>	<b>654</b>	sulphide
	including	144	147	<b>3</b>	<b>1625</b>	
RC08A012		0	150	<b>150</b>	<b>860</b>	
		0	75	75	617	weathered
		75	150	<b>75</b>	<b>1103</b>	sulphide
	including	78	84	<b>6</b>	<b>1717</b>	
		93	111	<b>18</b>	<b>1458</b>	
		114	120	<b>6</b>	<b>3015</b>	
		141	144	<b>3</b>	<b>1035</b>	



**Media Release 8 April 2008**

## **Excitement builds for new Molybdenum discovery in Central QLD**

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Zamia Gold Mines Ltd (ZGM) has identified a very promising molybdenum (Mo) discovery at its Anthony Prospect in Queensland.

While exploring for gold in Queensland's historic Clermont region, ZGM's team using a structured geological approach, discovered an extensive molybdenum soil anomaly covering around one square kilometre.

Assay results from the first round of drilling have been outstanding and Executive Director Sam Lees says that this sort of discovery is every explorer's dream come true.

"Serendipitous events led us to drill this particular area and such results from a first drilling programme give us confidence that we have a potentially significant mineral development", he says.

Recently announced assay results from the first 12 holes show extensive mineralisation with grades that are similar to or better than the 0.06% to 0.07% Mo typically found in international and Australian molybdenum developments.

The Anthony prospect remains open in all directions and one hole included an intersection grading more than 0.3% Mo over 6 metres.

ZGM's proposed drilling programme in 2008 is targeting a deposit that could be mined by open pit methods with a conceptual size of about 100 million tonnes.

Mr Lees says expected growth in the molybdenum market makes it a very attractive commodity.

"The price of Molybdenum has risen rapidly, in line with other metals, and now exceeds US\$66,000/t", he says. "World demand for the metal, used to enhance the properties of steel, is expected to more than double by 2030."

**More information and photos can be found on Zamia's website: [www.zamiagold.com.au](http://www.zamiagold.com.au), or by calling John Stone on +61 2 8223 3744**