ZAMIA GOLD
MINES LIMITED

28 July 2008

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

Dear Sir,

ZGM 2008/25 – DIAMOND DRILLING EXTENDS ANTHONY MOLYBDENUM DISCOVERY

Zamia Gold Mines Limited (ZGM) has received assays from the first three holes of its initial diamond drilling program and these confirm that the Anthony molybdenum discovery (north of Clermont in central Queensland) is **larger and deeper** than identified in the first 13 hole Reverse Circulation (RC) program.

- To date three holes (A14 to A16) have been completed at an angle of -60 degrees to a depth of 300m (approx 250m vertical). Molybdenum (Mo) mineralisation is present within and at the end of each hole. The fourth hole, A17, is currently being drilled to the north of the western high grade zone. The locations and directions of these first four diamond holes, **which are outside the zone of previous drilling,** are shown in figure 1.
- A summary of the assay results to date is in table 1 and include:
    - DD08A016 (A16) is located 100m east of the western high grade mineralisation. Results for the first 210m are available and include 710ppm Mo from 44 to 66m including a 2m intersection at **1495ppm** (0.1495%) Mo in the weathered zone; 8m at 657ppm Mo, 14m at 625ppm Mo and 8m at 673ppm (including 2m at **1110ppm**) Mo in the sulphide zone.
    - DD08A015 (A15) is located in an area east of the Gregory Development Road which had not been drilled previously. Results included 12m of 682ppm Mo, 24m of 542ppm Mo, (including 3m of **2070ppm Mo**) and 3m of **2230ppm Mo** in the sulphide zone.
    - DD08A014 (A14), also located in an area east of the Gregory Development Road, contained significant intersections above 350ppm Mo including 3m at **892 Mo** in the sulphide zone.
- A follow-up assay of the bottom metre (149-150m) of the previously reported anomalous silver and lead in RC08A009 (A9) indicated significant values of **96.6g/t of silver, 0.6 g/t gold, 2.0% lead and 0.15% copper.** It is proposed to put a diamond tail on this hole to determine if this section is the beginning of a **significant precious and base metals zone** surrounding the molybdenum mineralisation.
- The current diamond drill program will also twin vertical hole DD08A012 (A12) in the high grade western zone to confirm the mineralisation and extend it to a vertical depth of 300m. Diamond tails may also be added to 1994 RC percussion holes (DBT 22 and DBT 23) drilled by CRAE. These holes are located west of the western high grade zone.
- It is expected that this round of drilling will not only extend the known mineralised zone but also assist in setting targets for a major RC percussion drilling program later in 2008.

Yours sincerely

Colin Seaborn
Executive Director

FIGURE 1 – DRILL HOLE LOCATIONS

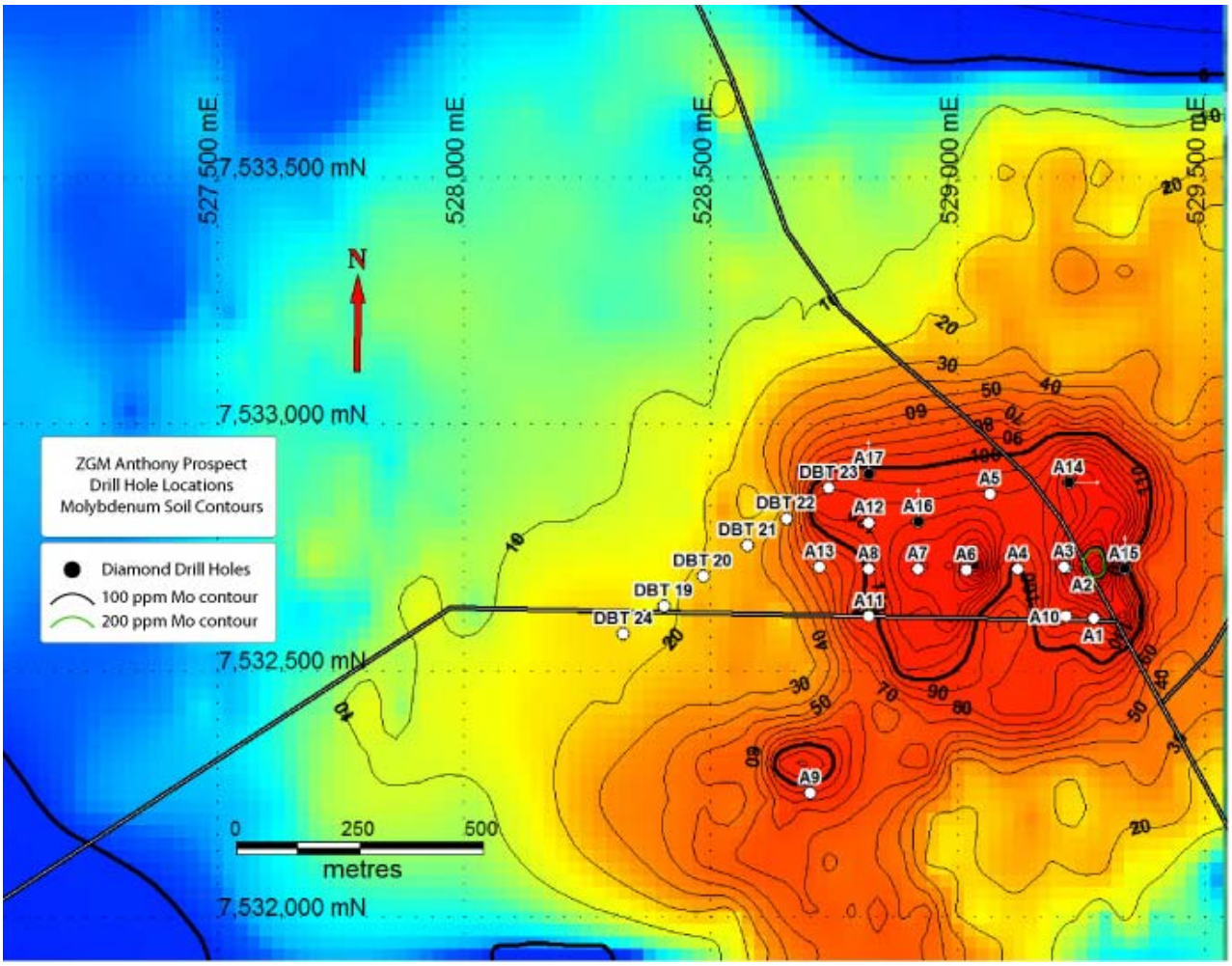

TABLE 1 ANTHONY DIAMOND DRILLING RESULTS SUMMARY

HOLE No.	DEPTH (m)	FROM	TO	WIDTH	Mo (ppm)	Comment
DD08A014 (A14)	303.6	0	81.1	81.1	297	Oxide
		99	121	22	359	Sulphide
		139	145	6	421	
		221	227	6	326	
		278	281	3	892	
DD08A015 (A15)	300	3	69	66	362	Oxide
		69	81	12	682	Sulphide
		87	126	39	337	
		165	225	60	347	
		231	255	24	542	
	including	252	255	**3**	**2070**	
		276	279	**3**	**2230**	
DD08A016 (A16)	300	0	100	100	429	Oxide
	including	44	66	22	710	
	including	56	58	**2**	**1495**	
	including	84	98	14	501	
		100	210	110	486	Sulphide
	including	120	128	8	657	
	including	150	164	14	625	
	including	176	184	8	673	
	including	180	182	**2**	**1110**	
		210	300	90		Assays not yet available

Competent Person

Mr R N (Sam) Lees (FAIG, FAusIMM), compiled the technical aspects of this report. Mr Lees is Executive Director - Technical, 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.