



ZAMIA GOLD
MINES LIMITED

20 June 2008

Centralised Company Announcements Office
Australian Securities Exchange
Exchange Centre
Level 1, 20 Bridge Street
SYDNEY NSW 2000

Dear Sir,

ZGM 2008/21 – Change in Accounting Policy

In accordance with Listing Rule 3.1 Directors advise they have amended the Company's Accounting Policy in regard to the recognition of exploration and evaluation costs of mineral resources and will now charge to profit all exploration and evaluation costs as and when such occur. This change in accounting policy complies fully with Australian Accounting Standard AASB 6.

The effect of this change in accounting policy will result in the Company writing off \$1,104,000 of exploration expenditure capitalised as a non current asset in prior years and \$469,000 of exploration expenditure capitalised as a non current asset in the six month period ended 31 December 2007 in the financial statutory accounts for the year ending 30 June 2008.

On the basis that shareholders approve the issue of options to Directors and officers at the Extraordinary General Meeting to be held next Friday, 27 June 2008, and after recognising this change in accounting policy Directors expect to report a net loss after tax for the year ending 30 June 2008 of between \$4,700,000 and \$5,000,000.

This change in accounting policy has no effect on the cash position of the Company or its exploration programmes announced previously.

For and on behalf of the Board,

Geoff Broomhead
Company Secretary