

## QUARTERLY ACTIVITIES REPORT

For the Quarter Ended 31 March 2010

### Highlights

- The latest drilling program at Zamia's Anthony Prospect was completed during the quarter. Assay results for the 31 holes drilled to date have been received and significant intersections have been reported to the ASX. Mineralisation remains open laterally and at depth.
- Independent resource consultants, Hellman and Schofield Pty Ltd ('H&S') announced a resource estimate for Anthony of 81 million tonnes ('Mt') at 0.43% (430 ppm) molybdenum (Mo) at a cut-off grade of 0.02% (200 ppm) Mo in the primary sulphide zone.
- The resource includes a high grade zone of 13.5 Mt at 750 ppm Mo.
- H&S also reported an additional 36 Mt at 380 ppm Mo in the oxide and transition zones. Zamia has commenced a program of metallurgical testwork to determine whether a marketable Mo product can be recovered from this material.
- A scout drilling program was completed at the Matilda gold target and assay results reported to the ASX. Results were encouraging; three of the six holes showed thick intersections of elevated gold concentrations.

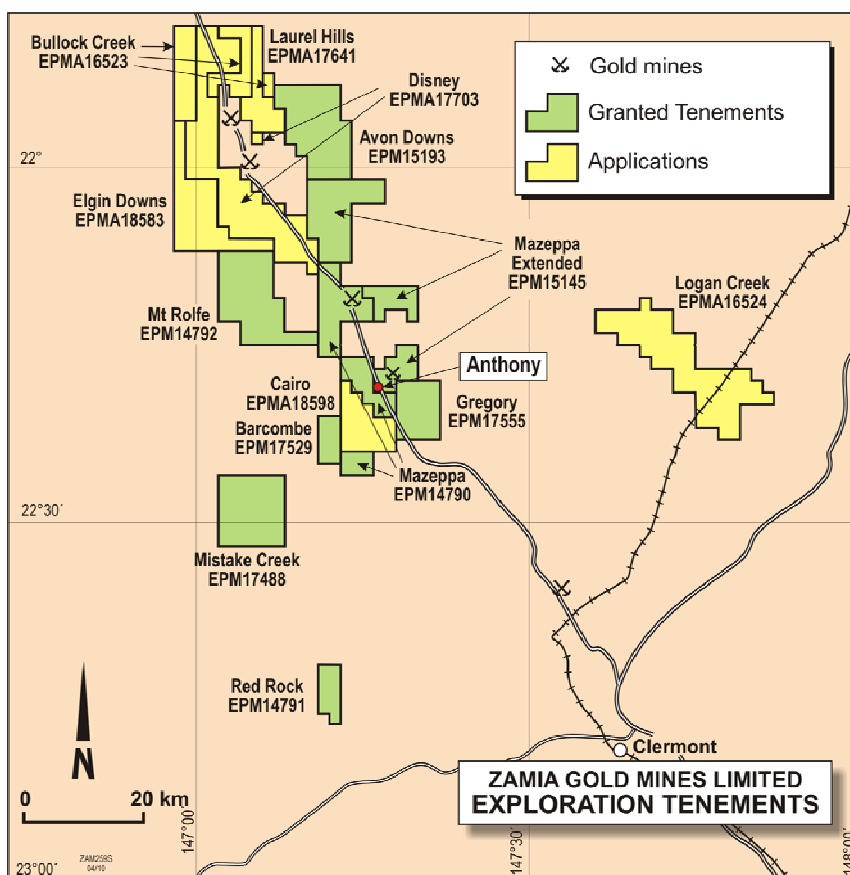


Figure 1: Zamia's Exploration Tenements



The next phase of drilling is being designed and is expected to commence in May 2010. In addition, Zamia is planning further geophysical and geochemical surveys to detect other targets in the immediate vicinity of the Anthony deposit.

### Exploration Activities – Mazeppa Gold Targets

In January 2010, the Company carried out a preliminary drilling program on the Matilda gold prospect in EPM 14790 (Mazeppa). This target was identified from a soil geochemical survey, carried out by Zamia in 2008, which showed a mobile metal ion ('MMI') gold-in-soil anomaly covering an area of 500m x 250m.

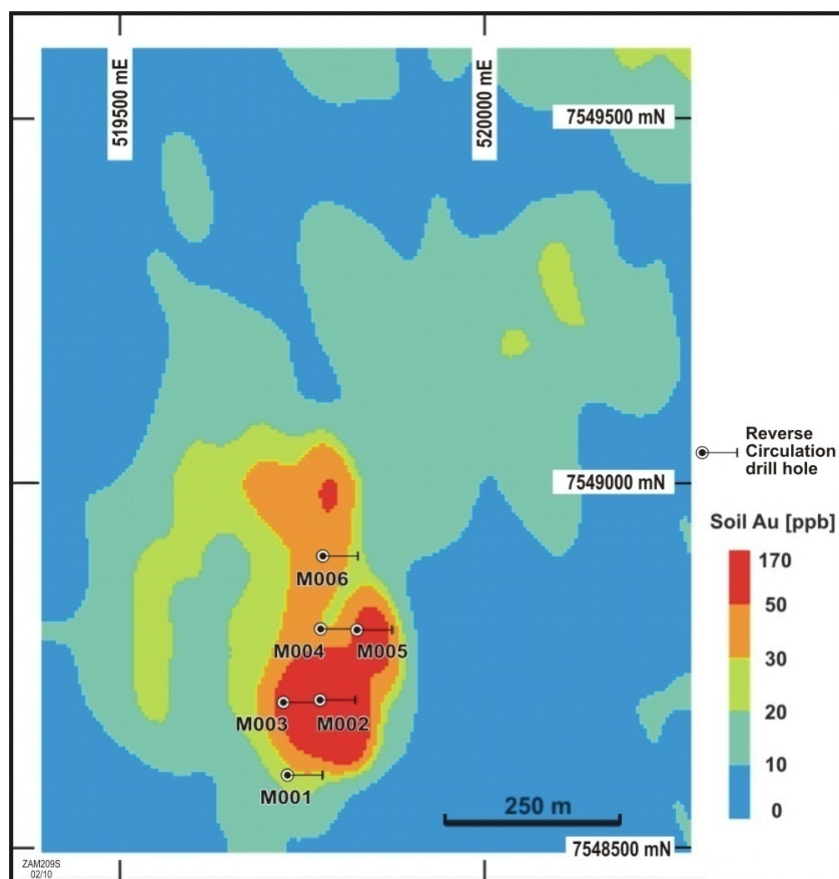


Figure 3: Matilda drill hole locations shown on MMI gold-in-soil geochemistry

The target was tested by six reverse circulation (RC) drill holes, angled at 60° to the east and drilled to 100m depth (down hole). The holes intersected sandstone, siltstone and slate, altered and cut by quartz veins and weathered to 70 – 80m in depth (down hole). Elevated gold concentrations were detected in three holes. The gold is hosted mainly by weathered rock of the oxide zone. Table 2 shows significant drill intersections.

Hole I.D.	From (m)	To (m)	Width (m)	Grade (g/t Au)
RCM-001	30	36	6	0.22
	78	87	9	0.41
RCM-002	0	30	30	0.35
	39	54	15	0.35
RCM-005 incl	0	36	36	0.44
	12	15	3	1.50
	60	90	30	0.30

Table 2: Matilda Prospect - significant gold intersections

Zamia is encouraged by the thick intersections of elevated gold, indicating potential for a significant gold system.

Drilling at the Frankfield Hill gold target was postponed due to heavy rain and is expected to be carried out after the wet season.

### **Other Regional Exploration Activities**

In March, a review of potential porphyry targets within the Clermont district was undertaken in light of the new geological data from the Anthony porphyry system.

As a result of this study, Zamia has lodged applications for two new Exploration Permits for Minerals – EPM 18583 (Elgin Downs) and EPM 18598 (Cairo), shown in Figure 1.

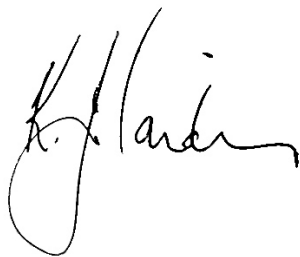
Exploration activities are planned on other targets defined by previous exploration - the Nivram prospect (EPM 14792), Eagle target (EPM 14791) and Mistake Creek prospect (EPM 17488).

### **Corporate Activities**

In February 2010, a share placement raised A\$1.3 million in new equity at A\$0.055 per share. Further capital raising is planned in the next quarter for renewed exploration on both the gold targets and the Anthony resource and to initiate a pre-feasibility study on the Anthony project.

### **Further Details**

For additional information on the Zamia's exploration projects, please visit the Company's website [www.zamiagold.com.au](http://www.zamiagold.com.au).

A handwritten signature in black ink, appearing to read 'K. Maiden', with a large, stylized loop at the end.

Kenneth J Maiden  
Managing Director

Dr Ken Maiden (MAIG, FAusIMM), Managing Director of Zamia Gold Mines Limited, compiled the technical aspects of this report. Ken is a Member of the Australian Institute of Geoscientists and a Fellow of the Australasian Institute of Mining and Metallurgy. He has sufficient experience that is relevant to the styles of mineralisation and types of deposits under consideration and to the activities that are 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". Dr Maiden consents to the inclusion of the matters in the form and context in which they appear.