

25 October 2011

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

Good morning Ladies and Gentlemen

Chairman's Address to Annual General Meeting, 25 October 2011

For the past two years, Zamia has focussed the bulk of its exploration effort on the Anthony molybdenum (Mo) deposit. This effort has resulted in a substantial molybdenum resource of 230 million pounds of contained molybdenum metal. The deposit remains open at depth, with the likelihood of further expanding the resource.

The Company is assessing the potential for developing a molybdenum mining and processing operation based on the Anthony resource. Laboratory-scale metallurgical testwork on the primary sulphide molybdenum resource has shown that a high grade concentrate (+50% Mo), with low levels of contaminants, could be produced. Other studies have shown that it is possible to beneficiate lower grade material to produce a higher grade feedstock for the grinding and flotation stages of a processing operation, with resulting considerable savings in capital and operating costs. Preliminary tests on the near-surface oxide resource have indicated the possibility of recovering a saleable Mo oxide product from this material.

To date, Zamia's share price has not benefited in a sustained way from the Company's exploration success at Anthony. This may be partly because of the general market malaise and partly a reflection of a lack of understanding, within the investing community, of the molybdenum market. The molybdenum price has been static for the past 18 months or so. However, analysts foresee an increase in demand for molybdenum over the next several years, with a resulting increase in price.

For the Anthony project to advance through technical assessment, scoping study and feasibility studies, it is likely to take 18 months and cost more than Zamia's current market capitalisation. The Board is considering various options for funding the work. This is likely to include seeking a strategic investor or joint venture ('JV') partner to provide funding for the project through to completion of a Definitive Feasibility Study.

In the meantime, we are pressing ahead with our regional exploration programme. We have established an enviable tenement package in a region that has enormous potential for the discovery of major deposits of gold, copper and other metals. Within our tenements, we have identified many target areas for gold and copper. Our field team is progressively assessing these prospects and identifying targets to be tested by drilling.

In summary, then, Zamia is pursuing a two-track strategy of (a) seeking a strategic/cornerstone investor or JV partner to fund further work on the Anthony Project, and (b) advancing our

regional exploration for copper and gold. We have a dedicated and enthusiastic team which has the capability to deliver exploration success.

I am grateful for the support that I have received during the past year, from the Board, from major shareholders and from our team of staff and consultants.

Yours faithfully

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

Ken Maiden
Executive Chairman
Zamia Metals Limited