



ASX:ZGM

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Centralised Company Announcements Office
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ANTHONY MOLYBDENUM DRILLING TO RESUME IN QUEENSLAND - AREA NOT AFFECTED BY FLOODS

Zamia Metals Limited (ASX: ZGM) today announced that its drilling programme at the Anthony Molybdenum Project near Clermont, in Central Queensland, is about to recommence, as its project area is not affected by the widespread flooding in the region.

Highlights

- **Diamond and reverse circulation (RC) drilling to recommence at Anthony**
- **New assay results from pre-Christmas drilling expected soon**

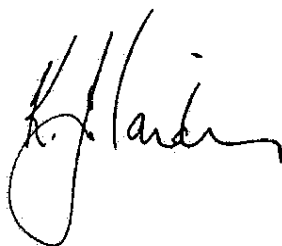
Despite the large-scale flooding in Central Queensland, Zamia will be able to recommence its drilling programme at the Anthony project north of Clermont. The project location, near the Gregory Development Road, is away from flooded areas.

Zamia plans to recommence the following programme in mid-January:

- Complete diamond tails on selected RC holes to test the depth extensions of the Anthony resource.
- Drill RC holes to infill gaps in drilling to date and to test extensions to the resource to the south.
- Drill scout diamond holes to the north, east and west of the Anthony geochemical anomaly to test for a larger porphyry system (with potential for gold and copper as well as molybdenum) surrounding the Anthony deposit.
- Continue with elements of a scoping study for a molybdenum mining and processing operation at Anthony.

Assay results from holes drilled in late 2010 are expected to be available soon.

Directors said their sympathy and support was extended to the victims of the Queensland flooding and that Zamia would be making a donation to the emergency relief aid fund.



Ken Maiden
Executive Chairman

About Zamia (ASX: ZGM)

Zamia listed on the ASX in January 2007, and holds a portfolio of Exploration Permits for Minerals in the Clermont district of central Queensland. In 2008, Zamia discovered the Anthony molybdenum deposit by drilling on a soil geochemical target. Diamond drilling confirmed the presence of a large porphyry-style deposit. After a delay of almost 12 months caused by the global financial crisis, evaluation of the Anthony deposit re-commenced in late 2009. Zamia announced an initial resource, estimated in accordance with the JORC Code and Guidelines, in April 2010. In September 2010, Zamia announced an Inferred Resource of 130 million tonnes at 0.04% (400 ppm) Mo in the primary (sulphide) zone and an additional 63 million tonnes at 400 ppm Mo of transitional and oxide material. Resource and extension drilling is continuing.

Zamia remains focussed on the Clermont district. As a result of the Anthony discovery, Zamia has identified other targets with potential for molybdenum, gold and possibly copper.

About Molybdenum

Molybdenum, a metal with an extremely high melting point, is widely used in the steel industry as it improves the strength of steels at high temperature as well as strength-to-weight ratios and corrosion resistance. It also has uses as a catalyst in petroleum refining, in the production of electrodes and filaments, as a high temperature lubricant and as a fertiliser. Global demand for molybdenum has been predicted to grow at 4 - 5% per year over the next twenty years.

For further information on Zamia and molybdenum, visit the website www.zamia.com.au