



CALGARY, AB December 28, 2006 – Zaio Closes Private Placement

Zaio Corporation (TSX-V: ZAO) announced today that it has closed a private placement of 2,025,532 common shares priced at \$0.80 per share for gross proceeds of \$1,620,425. The issue was oversubscribed and included investors from both Canada and the United States. A total of \$47,340 was paid to certain third parties as a finder's fee related to the issue. Proceeds from the issue will be used to further accelerate the Company's aggressive expansion plans.

In other news, the Company's CEO, Thomas Inserra, has purchased 600,000 shares by exercising performance based options which had recently vested bringing his holdings in Zaio common stock to 1.6 million shares. Mr. Inserra stated that he has no intention of selling any of his shares. Zaio's compensation committee, which is comprised of independent board members, upon review of Mr. Inserra's 2006 performance has awarded him 400,000 options which are exercisable at \$1.00, have a five year term and only vest when specific company performance hurdles are met.

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The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this press release.

This press release contains forward-looking statements which may include financial and business prospects, as well as statements regarding the Company's future plans, objectives or economic performance and financial outlooks. Such statements are subject to risk factors associated with the real estate industry, and the overall economy in both Canada and the United States. The Company believes that the expectations reflected in this press release are reasonable, but actual results may be affected by a variety of variables and may be materially different from the results or events predicted in the forward-looking statements. Readers are therefore cautioned not to place undue reliance on these forward-looking statements.

In evaluating forward-looking statements readers should consider the risk factors which could cause actual results or events to differ materially from those indicated by such forward-looking statements. These forward-looking statements are made as of the date hereof, and unless otherwise required by applicable securities laws, the Company does not intend nor does it undertake any obligation to update or revise any forward-looking statements to reflect subsequent information, events, results or circumstances or otherwise.