

QUARTERLY ACTIVITIES REPORT

For the period ending 31st December 2019

The Board of Zeus Resources Limited is pleased to release its second Quarterly Activities Report of 2019-2020 covering the period ending 31 December 2019.

Highlights

- Zeus Resources continues to investigate gold and/or copper projects in Laos. The Company has rejected several feasibilities of identified assets, but the Board intends to continue efforts to identify projects in this region as the Board continues to consider this region for the exploration activities of the Company.
- In the Gascoyne Project, Arrow Minerals Ltd (ASX: AMD) completed a hyperspectral survey in Gascoyne Project area and given notice to Zeus that it has met the Stage 2 expenditure requirements of the Farm-in and Joint Venture Agreement with total expenditure of \$250,000. The transfer form of a further 15% interest has been signed by the Company. The 35% interest in the Project now held by Arrow will increase to 50% when the transfer form is lodged by Arrow.

Corporate and Financial

- Quarterly administrative and other operational expenditures are within budget;
- The Company held the 2019 Annual General Meeting on 12th November 2019, and all the resolutions were successfully passed;
- The Company's consolidated statement of cash flows for the Quarter is set out in Appendix 5B. At the end of the Quarter the consolidated entity had \$1.29 million in cash with no debt; and
- ZEU confirms it is not aware of any new information or data that materially affects the information included in the original market announcements previously lodged with ASX.

Tenement Status

No Changes to Zeus' granted tenement holdings occurred during the Quarter. Tenements are shown in Figure 1 and detailed in Table 1.

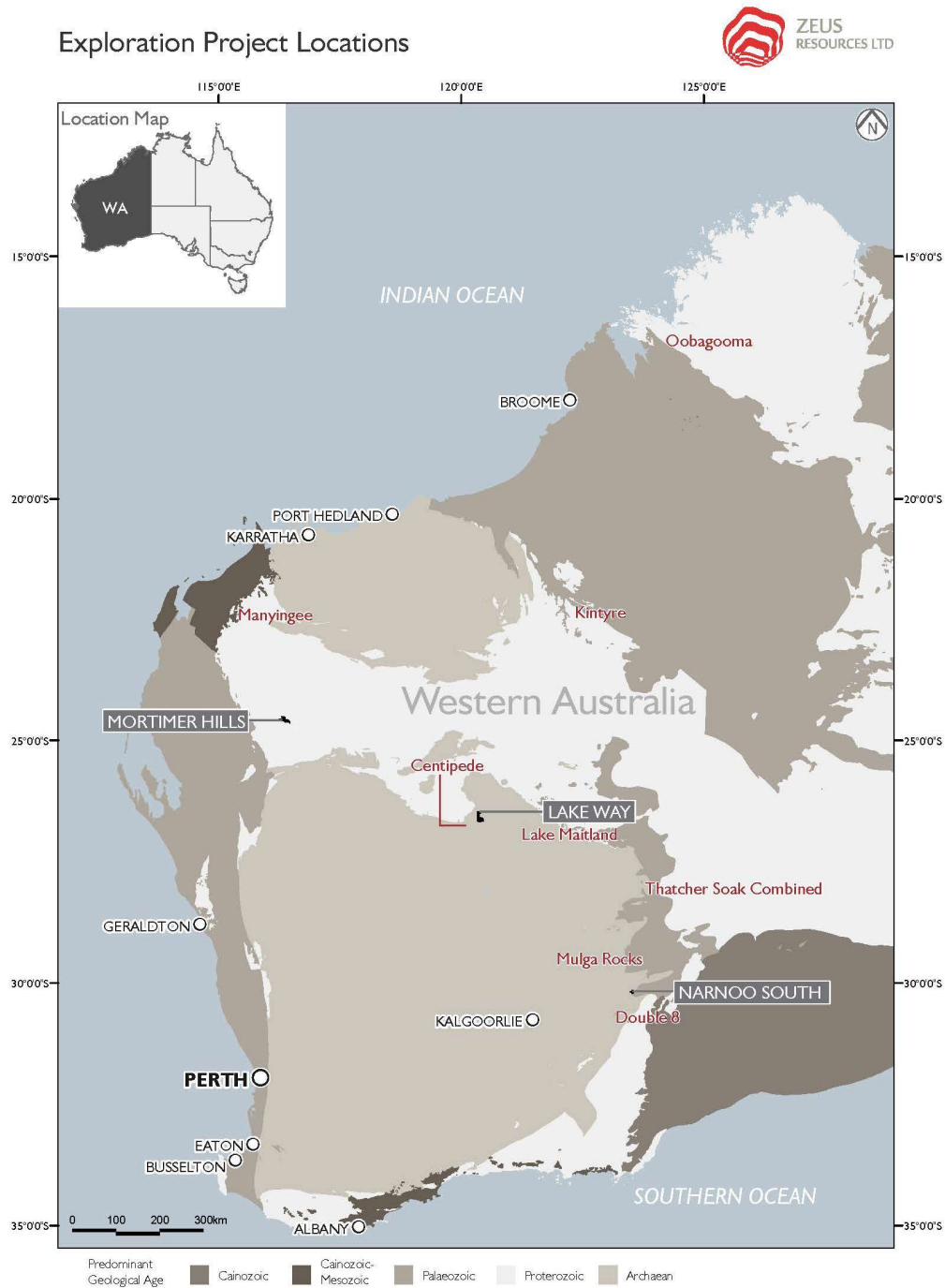


Figure 1. Zeus Resources Tenement Location Map.

Region	Project	Tenement	Status	Holder	Operator	Comments
Wiluna	Lake Way	E 53/1601	Granted	Zeus Resources Ltd	Zeus Resources Ltd	
		E 53/1603	Granted	Zeus Resources Ltd	Zeus Resources Ltd	
		E 53/1604	Granted	Zeus Resources Ltd	Zeus Resources Ltd	
Narnoo	Narnoo South	E 28/2097	Granted	Zeus Resources Ltd	Zeus Resources Ltd	
Gascoyne	Mortimer Hills	E 09/1618	Granted	Zeus Resources Ltd	Arrow Minerals Ltd	50% of the interest remaining
		E 09/2147	Granted	Zeus Resources Ltd	Zeus Resources Ltd	

Table 1. Zeus Resources Tenement Details

Exploration Program

No fieldwork was completed during the Quarter on the tenements managed by Zeus Resources Ltd.

Wiluna Project

There are no immediate plans for a drilling program at the Wiluna Project, but this is subject to an ongoing review by the Board.

Narnoo Project

There are no immediate plans for follow up drilling of the Narnoo South (E28/2097) uranium prospect, but this is subject to ongoing review by the Board.

Gascoyne Project

No field exploration activities were undertaken by Zeus within exploration licence E09/1618 during the quarter.

No field exploration activities were undertaken by Zeus within E09/2147 during the quarter. Further exploration within this project is currently under review.

The transfer form of further 15% interest of E09/1618 has been signed by the Company. The 35% interest in the Project now held by Arrow will increase to 50% when the transfer form being lodged by Arrow.

Competent Person Statement:

Information in this release that relates to Exploration Results is based on information compiled by Mr Andrew Rust, who is a Member of the Australian Institute of Mining and Metallurgy (AusIMM). Mr Rust is a full time employee of Shearwater Australia Proprietary Limited. Mr Rust is engaged by Zeus Resources Limited as an independent consultant. Mr Rust has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Rust consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.