

30 July 2021

DUE DILIGENCE ON THE WANDAGEE BASE METALS PROJECT IN WA

Zeus Resources Limited (ASX: **ZEU** | ACN 139 183 190) ("**Zeus**" or the "**Company**") announces it has entered into an exclusivity agreement with Westoz Gold Pty Ltd (ACN 642 083 593) ("**Westoz**") to conduct due diligence on the Wandagee Base Metals Project ("**Wandagee Project**") (application for an exploration licence – E09/2499 ("**Tenement**")) ("**Exclusivity Agreement**") to explore the potential acquisition of the Tenement from Westoz if it is granted.

About the Wandagee Project

- The Wandagee Project is located 150 km north-east of Carnarvon, Western Australia and 45 km east of Northwest Coastal Highway on the well-maintained gravel Lyndon Road.
- Zeus has identified potential for Pb-Zn and Cu-Pb-Ag deposits and for sediment-hosted base metal mineralisation in Permian sediments near the known Wandagee Fault in the Southern Carnaryon Basin.
- In July 2021, FMG Resources Pty Ltd applied for tenements in respect of an approximate 31,000 km² area surrounding the Wandagee Project.

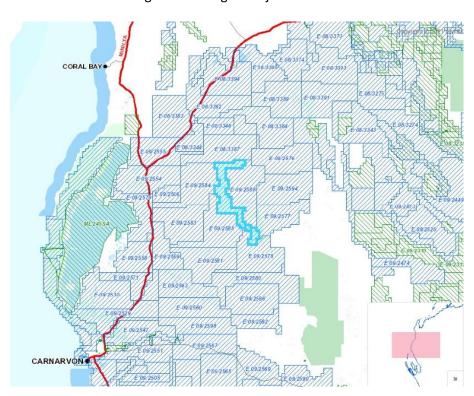


Figure 1 – Location of Wandagee Base Metals Project (Application for E09/2499) (light blue shading)

ACN: 139 183 190

Details of terms of due diligence

The material terms of the Exclusivity Agreement between Zeus and Westoz are summarised as follows:

- Zeus will pay Westoz a non-refundable fee of \$10,000 ("Exclusivity Fee") in consideration for a four-month exclusivity period ("Exclusivity Period") during which Zeus will complete its due diligence investigations. The parties may extend the Exclusivity Period.
- The acquisition of the Tenement ("Transaction") is conditional on the following key conditions precedent and is not binding unless and until:
 - Zeus has completed and is satisfied, in its absolute discretion, with the results of, its due diligence investigations in relation to the Wandagee Project;
 - the parties agree legally binding final documentation for the Transaction including the purchase consideration and transaction structure;
 - the board of directors and shareholders (if applicable) of Zeus approve the Transaction;
 - the West Australian Minister for Mines and Petroleum ("**Minister**") grants the Tenement to Westoz free from all encumbrances;
 - where required, Zeus obtains foreign investment approval from the Federal Treasurer (commonly known as "FIRB Approval") in relation to the Transaction;
 - the parties obtain the consent of the Minister to the sale and purchase of the Tenement (if required); and
 - receipt of any other relevant third party, regulatory or other consents and approvals on terms satisfactory to Zeus.

If the result of the due diligence is unsatisfactory or any of the other conditions are not met or waived, Westoz will not refund the Exclusivity Fee and Zeus will have no obligation to proceed with the Transaction. In particular, there is no guarantee, and Zeus makes no representation, that:

- the results of the due diligence will be satisfactory;
- the parties will reach an agreement for the Transaction on acceptable terms or at all within the Exclusivity Period; or
- the Tenement will be granted by the Minister or that the consent of the Minister will be obtained as to the Transaction; or
- FIRB Approval will be granted by the Federal Treasurer.

About Westoz

Westoz is an Australian private company with its registered office located at 283 Rokeby Road, Subiaco, WA 6008. Westoz was registered on 26 June 2020. It is registered on the Australian Business Register with an ABN of 97 642 083 583.

Upcoming News Flow

Now that the Exclusivity Agreement has been signed, Zeus will work closely with Westoz to carry out due diligence on the Wandagee Project, which will include collecting more geological information.

Zeus is a mineral exploration company with approximately 77 km² of tenements in Western Australia. As the mining market is showing signs of recovery, the Company currently is taking a proactive approach to carry out its regular business and pursue new projects. After the placement of June 2021, the Company is in a better financial position to carry out more exploration work in the next period. The Wandagee Project will give Zeus the opportunity to have a broader commodity outlook than the current project holdings.

Upon satisfactory completion of the due diligence, the terms of the acquisition of the Tenement will be agreed on between the Company and Westoz and subsequently will be announced to ASX. Further details and outcome of the due diligence will be announced accordingly.

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This announcement was authorised for release to the ASX by the Board of the Company.

ENDS

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