ZEUS
RESOURCES LTD

26 October 2022

**WILUNA POTASH PROJECT SULPHATE OF POTASH BRINE CONFIRMED**

## Highlights

- Highly encouraging Sulphate of Potash (SOP ($K_2SO_4$)) assay results received from the air-core drilling completed in September.
- Seven (7) samples were analysed for K, $SO_4$, Mg, Na and Cl.
- Drill hole LWP002 intercepted the basal sand and returned assay results of up to **3,340 mg/L potassium** and **24,000 mg/L sulphate** (equivalent to **7.4 kg/m$^3$ SOP**[1]).
- The assay results confirm potassium and sulphate mineralisation in the palaeochannel basal sand 8.5 km north of Lake Way.

**Zeus Resources Ltd** (ACN 139 183 190) (ASX: **ZEU**) ("**Zeus**" or "the **Company**") is pleased to announce the Company has received brine assays results obtained from the drilling and sampling of its Wiluna Project (E53/1603 & ELA53/2197) in early September 2022.

Two aircore drill holes were completed in September 2022 (**See ASX release dated 21 September 2022 Update on Wiluna Project**) one of these drill holes (LWP002) intercepted the palaeochannel basal sand from 78m below ground level.

The assay results from LWP002 are presented Table 1 below, the drill hole details from where the samples were taken are in Table 2. The results confirm brine with potassium grades of between 3,060 mg/L and 3,340 mg/L and sulphate grades of between 22,400 mg/L and 24,000 are present in the basal sand at depths of between 78 and 85m. The assay results from shallower depths indicated the groundwater encountered was not mineralized. Potassium concentrations were typically very low at between 80 and 110 mg/L aligned with the low salinity nature of the groundwater.

Table 1. Brine Assay Results

| Drill Hole ID | Easting (GDA94 Z51) | Northing (GDA94 Z51) | Sample Interval (mbgl) | | K (mg/L) | $SO_4$ (mg/L) | Mg (mg/L) | Na (mg/L) | Cl (mg/L) | TDS* (mg/L) |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | From | To | | | | | | |
| LWP001 | 237802 | 7049543 | 29 | 30 | 80 | 450 | 126 | 810 | 1,320 | 2,950 |
| LWP001 | 237802 | 7049543 | 53 | 54 | 110 | 750 | 162 | 1,150 | 1,770 | 3,950 |
| LWP001 | 237802 | 7049543 | 65 | 66 | 110 | 870 | 192 | 1,480 | 2,465 | 4,900 |
| LWP002 | 237593 | 7050828 | 30 | 31 | 80 | 390 | 108 | 560 | 1,045 | 2,100 |
| LWP002 | 237593 | 7050828 | 77 | 78 | **3,060** | **22,400** | 5,880 | 51,200 | 88,610 | 174,000 |
| LWP002 | 237593 | 7050828 | 83 | 84 | **3,340** | **24,000** | 6,260 | 56,200 | 90,340 | 187,000 |
| LWP002 | 237593 | 7050828 | 84 | 85 | **3,270** | **22,400** | 6,060 | 53,300 | 89,305 | 176,000 |

Note: Co-ordinates measured using handheld GPS at +/-3m accuracy, *TDS is Total Dissolved Solids

[1] SOP equivalent is calculated by converting the molecular mass of K to $K_2SO_4$, utilising a factor of K * 2.23.

Table 2. Drill Hole Details

| Drill Hole ID | Easting (GDA94 Z51) | Northing (GDA94 Z51) | Collar Elevation (mRL) | End of Hole (mbgl) | Dip (degrees) | Azimuth (degrees) |
|---|---|---|---|---|---|---|
| LWP001 | 237802 | 7049543 | 501 | 66 | -90 | 0 |
| LWP002 | 237593 | 7050828 | 508 | 85 | -90 | 0 |

Note: Co-ordinates measured using handheld GPS at +/-3m accuracy.

The assay results are highly encouraging as the potassium and sulphate concentrations are comparable to exploration peers in the Western Australian SOP space, who have estimated Mineral Resources and Ore Reserves. Importantly these brine assays come from basal sand 8.5 km away from the lake surface of lake Way demonstrating SOP mineralization of the brine is likely to be somewhat independent of the lake surface. Further drilling and sampling are required to confirm if there is a mineralization gradient away from the lake and if mineralization is persistent north of LWP002.

## Wiluna Project (E53/1603 & ELA53/2197)

The Wiluna Project comprises one exploration licence (E53/1603) and one exploration licence application (ELA53/2197), covering part of the Kukkuburra Palaeochannel developed over granite and greenstone basement (Figure 1) in proximity to the Lake Way SOP deposit of Salt Lake Potash Ltd (ASX:**SO4**).

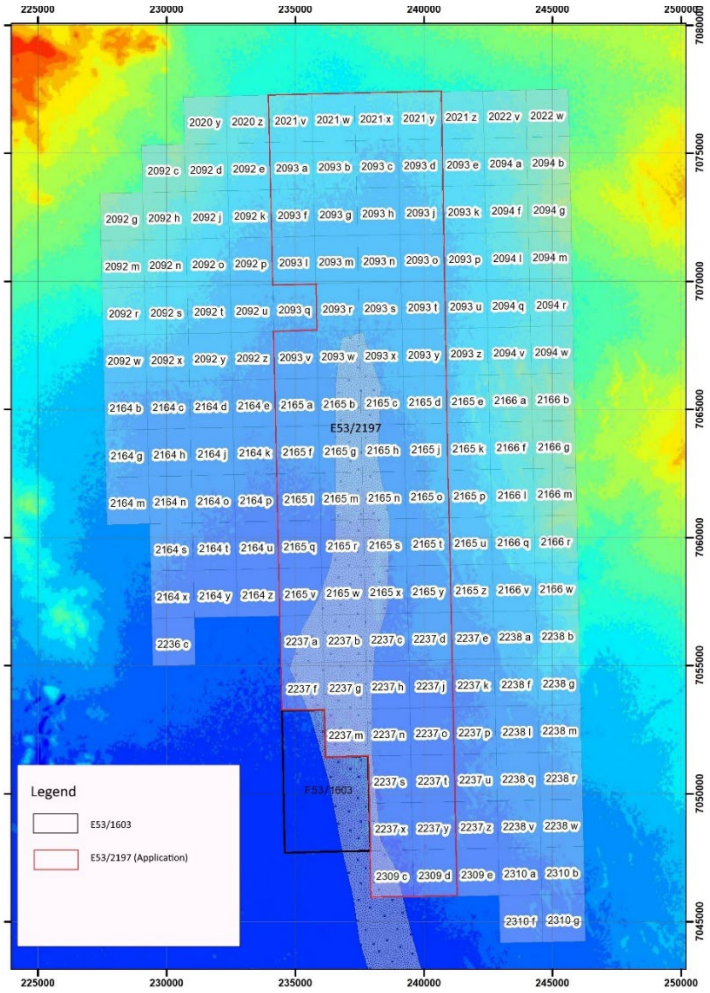


Figure 1. New Application of Zeus

Figure 3 presents the residual bouger gravity (gravity minus the calculated regional gravity trend). The blue line is an interpretation of the Kukkuburra Palaeochannel axis which is approximately the deepest part of the channel. The paleochannel extends southeast into the application area resulting in approximately 8 km lying within Zeus granted tenure and a further 15 km in pending tenure. This work has been used to define the two exploration aircore drilling locations (LWP001 and 002) in conjunction with historical drilling and rig access constraints.

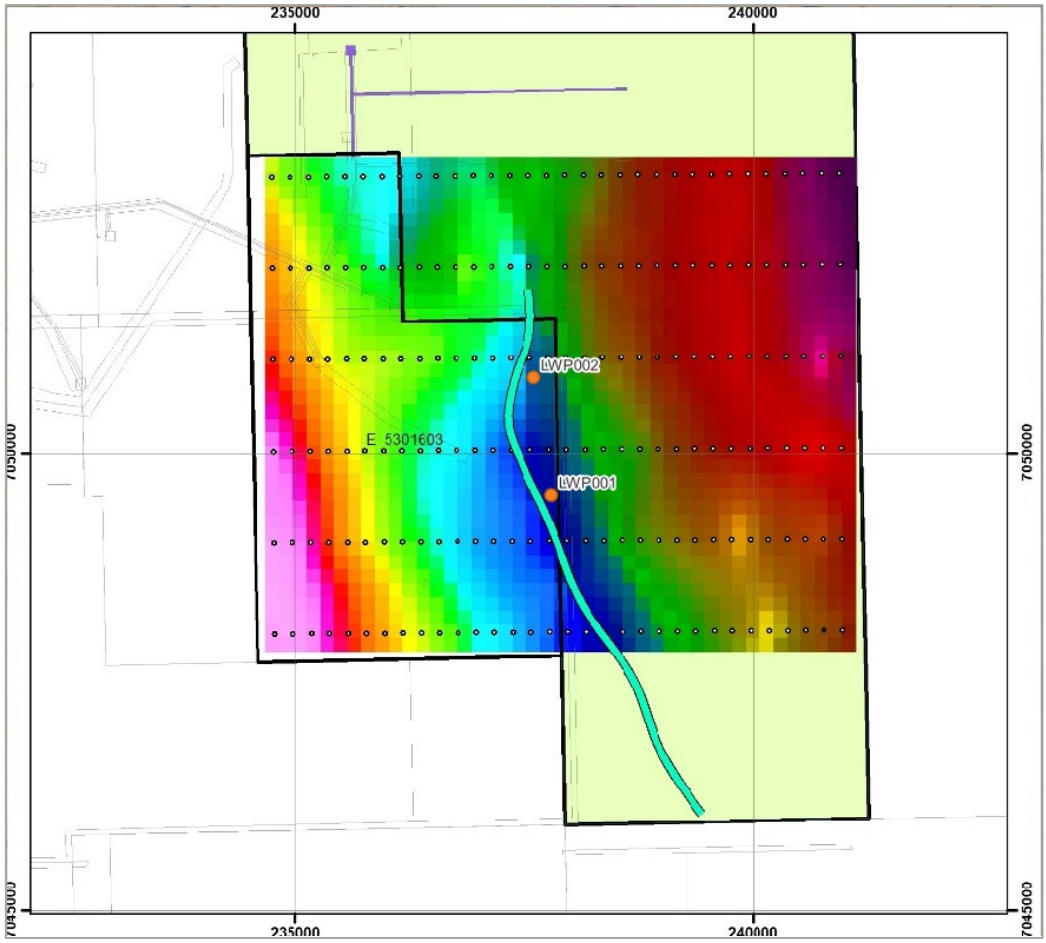


Figure 3. Residual Bouger gravity anomaly image. The blue colour is indicative of low density values interpreted to be due to the palaeochannel. The interpreted deepest part of the palaeochannel is represented by the thin green line and the 2022 drill holes as orange dots.

## Proximity to the Lake Way Potash Project

Zeus's potash exploration drill holes are located approximately 3.5km from the northerly margin of Salt Lake Potash's Lake Way SOP deposit. The Kukkuburra Palaeochannel is considered the northern extension of the Lake Way palaeochannel as shown in Figure 6 below and is highly prospective for brine mineralisation of SOP. Potassium grades of between 5000 and 7000 mg/L have been encountered at Salt Lake Potash's Lake Way deposit within the palaeochannel basal sand (**See SO4 ASX release dated 10 March 2022*, Sale process commencement and resource upgrade***).

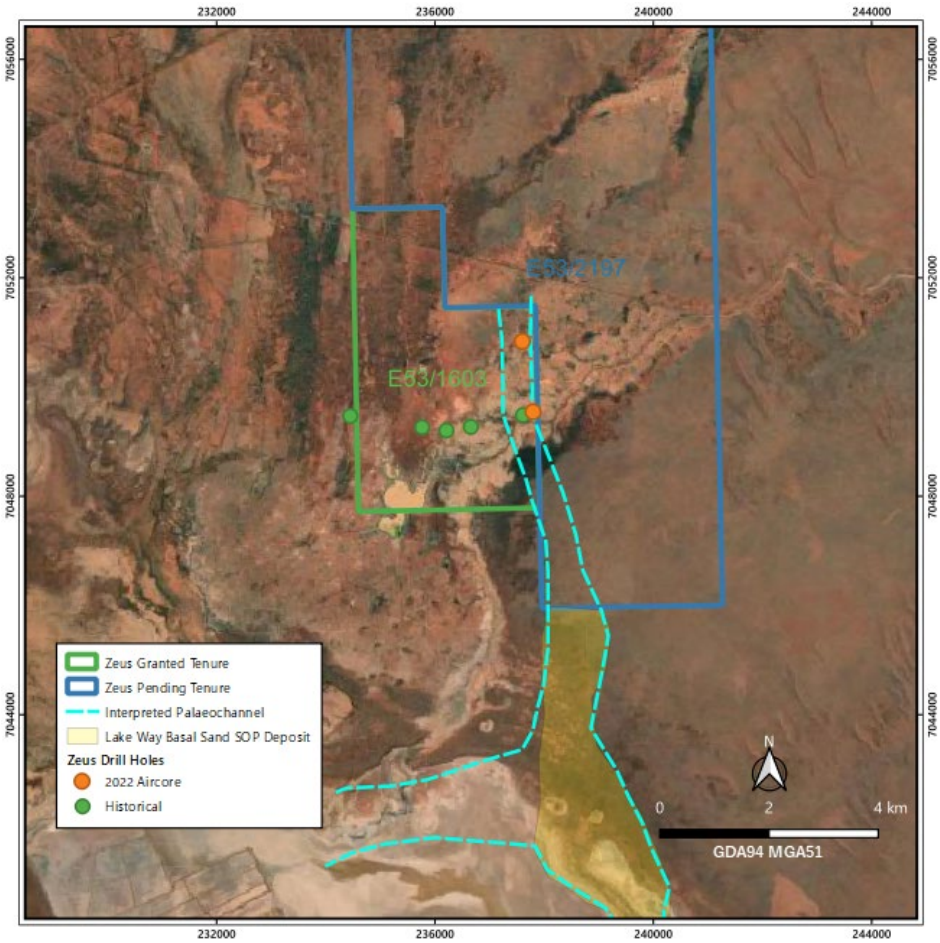


Figure 7. Proximity of Zeus's SOP exploration holes to Salt Lake Potash's SOP deposit (See SO4 ASX release dated 10 March 2022, Sale process commencement and resource upgrade)

## Future Work

Further work will involve granting of E53/2197, expansion of the gravity survey and drilling of new exploration holes to develop an Exploration Target.

***Competent Person Statement:***

*The information in this announcement that relates to the Exploration Results is based upon information compiled by Mr Adam Lloyd, who is employed by Aquifer Resources Pty Ltd, an independent consulting company. Mr Lloyd is a Competent Person who is a Member of the Australian Institute of Geoscientists and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and the activity to which is being undertaking to qualify as a Competent Person for reporting of Exploration Results, Mineral Resources and Ore Reserves as defined in the 2012 edition of the "Australasian Code for Reporting of exploration Results, Mineral Resources and Ore Reserves". Mr Lloyd consents to the inclusion in the announcement of the matters based upon the information in the form and context in which it appears.*

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

ENDS

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# JORC Code, 2012 Edition – Table 1 Report

## Section 1 Sampling Techniques and Data

*(Criteria in this section apply to all succeeding sections.)*

| Criteria | JORC 2012 Code Explanation | Commentary |
|---|---|---|
| *Sampling techniques* | • *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*<br>• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*<br>• *Aspects of the determination of mineralisation that are Material to the Public Report.* | • The sampling program involved the collection of brine samples and samples of the aquifer material during drilling to define the brine and geological variation.<br>• Lithological samples at 1m intervals were obtained by aircore drilling.<br>• Brine samples were obtained during drilling from prolonged airlift yields and collected at the cyclone. These samples are interpreted to come from the zone above the drilling depth, although the possibility of downhole flow outside of the drill rods from permeable shallower zones cannot be excluded. |
| *Drilling techniques* | • *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).* | • Reverse circulation (140mm diameter) aircore has been utilised for all exploration holes drilled in this report.<br>• All holes were drilled vertically. |
| *Drill sample recovery* | • *Method of recording and assessing core and chip sample recoveries and results assessed.*<br>• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*<br>• *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.* | • Geological sample recovery was high, in all lithologies<br>• Brine recoveries were high for aircore drilling in the productive aquifer zones. The low transmissivity clay yielded very low volumes with more sporadic brine sampling resulting, generally occurring near the base of the formation. |

| Criteria | JORC 2012 Code Explanation | Commentary |
|---|---|---|
| *Logging* | • *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*<br>• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*<br>• *The total length and percentage of the relevant intersections logged.* | • All drill holes were geologically logged by a qualified geologist.<br>• All geological samples collected are qualitatively logged at 1 m intervals to gain an understanding of the variability of the aquifer material hosting the brine |
| *Sub-sampling techniques and sample preparation* | • *If core, whether cut or sawn and whether quarter, half or all core taken.*<br>• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*<br>• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*<br>• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*<br>• *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.*<br>• *Whether sample sizes are appropriate to the grain size of the material being sampled.* | • Aircore drilling with low pressure air lifts aim to collect a brine sample that is representative of the interval immediately above the bit face.<br>• However, this method does not exclude the potential for downhole mixing of brine. Low permeability clays were slow to yield brine, while underlying permeable intervals did yield brine with ease. This provides confidence that representative samples with depth have been obtained.<br>• All samples collected are kept cool until delivery to the laboratory in Perth.<br>• Brine samples were collected in 500 ml bottles with little to no air. |
| *Quality of assay data and laboratory tests* | • *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* | • All samples have been submitted to Bureau Veritas Pty Ltd in Perth for analysis.<br>• Brine samples (500 ml bottles) were submitted for determination of Mg, Na, K and S (as SO4) via ICP-OES analysis.<br>• Other parameters including TDS (Gravimetric), and chloride (volumetrically)<br>• No duplicates were submitted as part of this limited sample set.<br>• One repeat analysis was completed with a 4% error for K. |

| Criteria | JORC 2012 Code Explanation | Commentary |
|---|---|---|
| | • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* | • Gravity data were acquired with Scintrex CG5 digital gravity meters. The accuracy of the processed gravity data is ±0.01 milligals.<br>• Elevation and location data were acquired using differential GNSS GPS receivers. The accuracy of the elevation data is ± 2cm.<br>• Data quality was checked by completing repeat measurements at various stations<br>• All gravity data are levelled to the Australia gravity network |
| | • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.* | • At this early stage of exploration, no duplicates were submitted as part of this limited sample set.<br>• One repeat analysis was completed with a 4% error for K, which is considered normal for potassium analysis via ICP-OES. |
| *Verification of sampling and assaying* | • *The verification of significant intersections by either independent or alternative company personnel.* | • None |
| | • *The use of twinned holes.* | • None |
| | • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* | • N/A |
| | • *Discuss any adjustment to assay data.* | • No adjustments to the assay data have been made. |
| *Location of data points* | • *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* | • Gravity data were acquired with Scintrex CG5 digital gravity meters. Elevation and location data were acquired using differential GNSS GPS receivers.<br>• The accuracy of the processed gravity data is ±0.01 milligals. The accuracy of the elevation data is ± 2cm. |
| | • *Specification of the grid system used.* | • The grid system is GDA94, Zone 51. |
| | • *Quality and adequacy of topographic control.* | • There is no topographic control on the drill hole locations, RL's have been estimated off a handheld GPS and is not considered material at this point in the exploration phase. |
| *Data spacing and distribution* | • *Data spacing for reporting of Exploration Results.* | • Gravity acquisition comprised 6 lines spaced 1 km apart. A total of 192 new gravity stations at 200m intervals were acquired.<br>• |
| | • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate* | • No Mineral Resources or Ore Reserves have been estimated. The current data set is not sufficient to support a Mineral Resource. |

| Criteria | JORC 2012 Code Explanation | Commentary |
|---|---|---|
| | *for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied* | |
| | • *Whether sample compositing has been applied.* | • The samples are considered representative of the zone where the face of the drill bit is. However in low permeability lithologies downhole flow cannot be ruled out. Downhole flow will dilute samples at this project location. |
| *Orientation of data in relation to geological structure* | • *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* | • Not applicable, considering the deposit type. All drill holes are vertical. |
| | • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.* | • N/A |

# JORC Code, 2012 Edition – Table 1 Report

## Section 2 Reporting of Exploration Results.

*(Criteria in this section apply to all succeeding sections.)*

| Criteria | JORC 2012 Code Explanation | Commentary |
|---|---|---|
| *Mineral tenement and land tenure status* | • *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* | • Zeus Resources holds one granted exploration tenement (E53/1603) and one new applied exploration tenement (ELA53/2197) within the Wiluna region. The application of ELA53/2197 lodged on 27/10/2021.<br>• Zeus operates a further 2 granted exploration tenements within the Gascoyne and Narnoo regions.<br>• Zeus holds a 100% interest in these tenements. |
| | • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.* | • All tenements are in currently in good standing and no impediments to operating are currently known to exist. |
| *Exploration done by other parties* | • *Acknowledgment and appraisal of exploration by other parties.* | • Exploration efforts have been conducted following review of publicly available historical exploration data from the WA Department of Mines & Petroleum "WAMEX" dataset. |
| *Geology* | • *Deposit type, geological setting, and style of mineralisation.* | • The deposit is covering the northern extent of the Kukkuburra Palaeochannel as a Sulphate of Potash prospect. |
| *Drill hole Information* | • *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*<br>○ *easting and northing of the drill hole collar*<br>○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*<br>○ *dip and azimuth of the hole*<br>○ *down hole length and interception depth*<br>○ *hole length.* | • See report |
| *Data aggregation methods* | • *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* | • Gravity data have been processed to derive the Bouguer anomaly. Further processing included the calculation of residual gravity. These data have been imaged and are interpreted as indicating a paleochannel that may be prospective for the target commodity. |

| Criteria | JORC 2012 Code Explanation | Commentary |
|---|---|---|
| | • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* | • Not applicable due to exploration results being applicable to a brine and not a solid.<br>• No low or high grade cut-off grade has been implemented. |
| | • *The assumptions used for any reporting of metal equivalent values should be clearly stated.* | • SOP equivalent is calculated by converting the molecular mass of K to $K_2SO_4$ – utilising a factor of K * 2.23. |
| *Relationship between mineralisation widths and intercept lengths* | • *These relationships are particularly important in the reporting of Exploration Results.* | • Not applicable due to exploration results being applicable to a brine and not a solid. |
| | • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* | • Not applicable due to exploration results being applicable to a brine and not a solid. |
| | • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').* | • Not applicable due to exploration results being applicable to a brine and not a solid. |
| *Diagrams* | • *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.* | • See report |
| *Balanced reporting* | • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.* | • All results have been reported |
| *Other substantive exploration data* | • *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.* | • Geological observations and geophysical survey results have been accurately reported. |
| *Further work* | • *The nature and scale of planned further work (eg tests for lateral* | • Subsequent exploration work may include additional gravity surveys and further drilling |

| Criteria | JORC 2012 Code Explanation | Commentary |
|---|---|---|
| | *extensions or depth extensions or large-scale step-out drilling).* | |
| | • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | • See report |