

8 February 2023

STATEMENT OF CONFIRMATIONS

Zeus Resources Limited (ASX: ZEU) (ACN 139 183 190) (**Company**) provides the following confirmations to satisfy conditions for the reinstatement of the Company's securities to quotation on ASX.

Capitalised terms in this announcement have the same meaning as given under the Company's prospectus dated 7 December 2022 (**Prospectus**) unless the context otherwise requires.

Completion of the Offer

The Company confirms that all conditions to the Offer under the Prospectus have been satisfied, including the Minimum Subscription under the Offer, and the Company has issued:

- 219,150,000 Shares at an issue price of \$0.01 per Share raising \$2,191,500; and
- 219,150,000 free-attaching Options exercisable at \$0.02 per Option and an expiry date of 2 years from the date of issue.

Working Capital

The Directors are satisfied that on completion of the Offer, the Company will have sufficient working capital to carry out its objectives as stated in the Prospectus.

No legal, regulatory or contractual impediments

The Company confirms that there are no legal, regulatory or contractual impediments to the Company undertaking the activities the subject of the commitments disclosed in the Prospectus.

Compliance with Listing Rules

The Company confirms that it is in compliance with the ASX Listing Rules and in particular Listing Rule 3.1.

Responsible Person

The Company confirms that the responsible person for the purposes of Listing Rule 12.6 is Daniel Liu.

Current Activities and Proposed Business Strategy

Exploration activities conducted to date

Following completion of the Offer, the Company's proposed business model will be to initially focus on mineral exploration, as per the Company's proposed exploration programs in relation to the Projects.

The Company intends to further explore the Tenements in the Gascoyne and Wiluna areas of Western Australia. Staged work plans have been developed by the Company to be implemented over 2 years. Exploration efforts have been focused on follow-up exploration programs at the Company's Mortimer Hills Project (which comprises exploration licence E09/2147) and Wiluna Project (which comprises exploration licence E53/1603 and exploration licence application E53/2197).

In December 2021, the Company completed 22 RC drill holes for a total of 1,598m for the Mortimer Hills Project. Follow-up fieldwork in June 2022 was conducted and found an extensive suite of pegmatites outcropping beneath alluvial cover following exposure by recent rainfall. Further mapping located several outcrops of manganiferous gossan (associated with dolomite) within the Project area. In September 2022, the Company received assay results from rock chip sampling conducted in June 2022 which confirmed the prospectivity of the tenement for base metals and manganese. In January 2023, the Company announced that it had completed an airborne drone survey at the Mortimer Hills Project and the data generated will be used to guide pegmatite and outcrop mapping across the whole of the Project. The next phase (Phase 5) is to complete airborne magnetic and gravity surveys to map geology and geological structure to locate potential lithium and base metal targeted below the extensive regolith cover.

In November 2021, the Company completed a gravity survey, including gravity acquisition and processing to cover the southern part of the Wiluna Project. The Wiluna Project has been re-targeted as a muriate of potash and gold project, replacing the former uranium focus. In September 2022, the Company completed the drilling and sampling of two aircore drill holes at the potash prospect and collected water samples which confirmed potassium and sulphate mineralisation following brine analysis. The Company will conduct further exploration activities to test for prospectivity potential of muriate of potash.

The Company's application for E53/2197 is still pending as at the date of this announcement. An objection was lodged by a third party in 2021 in relation to the application of E53/2197. The tenement cannot be granted until either an access agreement has been entered into between the parties, the objection has been withdrawn, or the objector surrenders or withdraws their tenement in which E53/2197 encroaches. If an agreement cannot be reached, the objection has not been withdrawn or the tenement surrendered, the matter will be heard in the Warden's Court (Meekatharra) which has been adjourned until February 2023. The Company will provide an update to the market on the status of the Warden's Court hearing at the relevant time.

The Company is not able to actively explore the Narnoo Project for uranium without certain Federal Government approvals. The Board will continue to monitor the changes in laws and regulations governing uranium exploration in Western Australia and will adjust its exploration program for this Project accordingly. The Company proposes to incur the minimum expenditure to maintain this Project and undertake further evaluation of the tenement.

Remaining phases of exploration

The Company will undertake 5 further phases of exploration at the **Mortimer Hills Project** over the two years following Reinstatement:

- **Phase 5:** The Company will undertake further ground gravity surveying at the Mortimer Hills Project. The Company anticipates that it will expend a total of \$35,000 on Phase 5, which the Company estimates will be completed by February 2023.
- **Phase 6:** The Company will undertake trenching and costeans at the Mortimer Hills Project. The Company anticipates that it will expend a total of \$60,000 on Phase 6, which the Company estimates will be completed by March – April 2023.
- **Phase 7:** The Company will undertake RC Drilling 40-50 x 50m RAB holes at the Mortimer Hills Project. The Company anticipates that it will expend a total of \$180,000 on Phase 7, which the Company estimates will be completed by May – June 2023.
- **Phase 8:** The Company will undertake RC drilling follow up at the Mortimer Hills Project. The Company will adjust its further plans for this Phase of the exploration program based on the mapping, sampling and drilling results produced in the previous Phases. On the basis that the Maximum Subscription has been raised, the Company anticipates that it will expend a total of \$175,000 on Phase 8. The Company estimates that Phase 8 will be completed by November – December 2023.
- **Phase 9:** The Company will undertake further RC drilling follow up at the Mortimer Hills Project. The Company will adjust its further plans for this Phase of the exploration program based on the mapping, sampling and drilling results produced in the previous Phases. On the basis that the Maximum Subscription has been raised, the Company anticipates that it will expend a total of \$100,000 on Phase 9. The Company estimates that Phase 8 will be completed by November – December 2023.

The Company will undertake 4 further phases of exploration at the **Wiluna Project** over the two years following Reinstatement:

- **Phase 4:** The Company will undertake gravity surveying of 400m by 200m grid cell size to determine the centre of the channel northward to locate several hydrological pump test drill holes in the northern channel extension within the new application area of E53/2197 at the Wiluna Project. Phase 4 of the program is subject to exploration application E53/2197 being granted. The Company anticipates that it will expend a total of \$20,000 on Phase 4, which the Company estimates will be completed by February 2023.
- **Phase 5:** The Company will undertake drilling of gold targets on greenstone highs and drilling channel centres followed by pump testing of brine at the Wiluna Project. On the basis that the Maximum Subscription has been raised, the Company anticipates that it will expend a total of \$90,000 on Phase 5. The Company estimates that Phase 5 will be completed by March – April 2023.
- **Phase 6:** The Company will undertake drilling channel centres followed by pump testing of brine at the Wiluna Project. On the basis that the Maximum Subscription has been raised, the Company anticipates that it will expend a total of \$90,000 on Phase 6. The Company estimates that Phase 6 will be completed by November 2023.
- **Phase 7:** The Company will undertake further drilling channel centres followed by pump testing of brine at the Wiluna Project. On the basis that the Maximum Subscription has been raised, the Company anticipates that it will expend a total of \$180,000 on Phase 7. The Company estimates that Phase 7 will be completed by May 2024.

Proposed business strategy

The long-term vision of the Company is to be a leader in the non-ferrous metals industry and if the Company achieves exploration success, the Company intends to develop its assets by processing (beneficiation) extracted minerals into high grade concentrates. The Company's business plan is to focus on exploration of the Company's portfolio of mineral exploration assets, investigate strategic acquisitions and investment opportunities and to continue to grow steadily and adapt as external business environments change. By expanding the Company's mineral exploration portfolio to lithium, base metals and potash exploration, the Company will invest significantly in exploration programs in the search of deposits that will be feasible to develop into productive mining operations.

The Company will retain its current Tenements and a new exploration licence application has been applied for in respect of the Wiluna Project. The Company will continue to look for other investment opportunities in Australia and also continue to pursue overseas investment opportunities as they arise.

The Company does not currently have any JORC Code compliant defined mineral resources at the Projects.

The Company is not exploring, considering or negotiating any potential new transactions at this stage.

CAPITAL STRUCTURE

The capital structure of the Company as at the date of reinstatement of the Company's securities to Official Quotation on ASX is set out below.

Securities on Issue	Number
Shares on issue	438,300,000
Options on issue (ex. price \$0.02, expiry date 2 years from issue date)	219,150,000

USE OF FUNDS

(Based on actual funds raised of \$2,191,500)

The Company intends to apply funds raised from the Offer, together with existing cash reserves post-Reinstatement, over the first two years following Reinstatement as follows:

Funds available	Maximum Subscription	Percentage of Funds
Existing cash reserves ¹	\$624,233	22.2%
Funds raised from the Offer	\$2,191,500	77.8%
Total	\$2,815,733	100.0%
Allocation of funds²		
Exploration at Mortimer Hills Project	\$590,000	21.0%
Exploration at Wiluna Project	\$440,000	15.6%
Exploration at Narnoo Project	\$110,000	3.9%
Assessing new Projects	\$200,000	7.1%
Expenses of the Offer	\$175,000	6.2%
Administration costs ³	\$539,302	19.2%
Working capital ⁴	\$761,431	27.0%
Total⁵	\$2,815,733	\$100.0%

Notes:

1. Existing cash reserves balance as at 30 November 2022.
2. Refer to Section 5.4 of the Prospectus and the Independent Geologist's Report (Annexure A of the Prospectus) for further details with respect to the Company's proposed exploration programs at the Projects.
3. Administration costs include the general costs associated with the management and operation of the Company's business including administration expenses, management salaries, directors' fees, rent and other associated costs.
4. To the extent that:
 - (a) the Company's exploration activities warrant further exploration activities; or
 - (b) the Company identifies additional acquisition or investment opportunities,

the Company's working capital will also be utilised to fund such further exploration activities and/or acquisition, investment costs (including due diligence investigations and expert's fees in relation to such acquisitions or investments) or other operational costs, as applicable. Any amounts not so expended will be applied toward corporate and administration costs for the period subsequent to the initial two-year period following Reinstatement.

5. The Company intends to apply these funds towards the purposes set out in this table, including the payment of the expenses of the Offer and certain other costs, of which various amounts will be payable prior to completion of the Offer.

The above tables are a statement of current intentions as of the date of this Prospectus. Prospective investors should note that, as with any budget, the allocation of the funds may change depending on various intervening events and new circumstances, including the outcome of exploration and development activities (including, exploration success or failure), regulatory developments and market and general economic conditions. Accordingly, the Board reserves the right to alter the way funds are applied on this basis.

Further information with respect to the Company's proposed use of funds is set out in Section 5.6 of the Prospectus.

The Directors are satisfied the Company has sufficient working capital to carry out its objectives as stated in the Prospectus.

PRO FORMA STATEMENT OF FINANCIAL POSITION
(Based on actual funds raised of \$2,191,500)

The table below details the Historical Statement of Financial Position of the Company as at 30 June 2022, extracted from the audited financial statements, and the Pro Forma Statement of Financial Position of the Company as at that date.

	Note	Actual Audited 30-Jun-22	Maximum	
			Pro forma adjustments Unaudited 30-Jun-22	Pro forma Unaudited 30-Jun-22
		\$	\$	\$
Assets				
Current assets				
Cash and cash equivalents	1	976,127	2,016,500	2,992,627
Other assets		6,063	-	6,063
Total current assets		982,190	2,016,500	2,998,690
Non-current assets				
Exploration and evaluation		950,533	-	950,533
Property, Plant, and equipment		4,316	-	4,316
Total non-current assets		954,849	-	954,849
Total assets		1,937,039	2,016,500	3,953,539
Liabilities				
Current liabilities				
Trade and other payables		120,916	-	120,916
Total current liabilities		120,916	-	120,916
Total liabilities		120,916	-	120,916
Net assets		1,816,123	2,016,500	3,832,623
Equity				
Share capital	2	18,496,219	2,077,703	20,573,922
Accumulated losses	3	(16,680,096)	(61,203)	(16,741,299)
Total equity		1,816,123	2,016,500	3,832,623

Notes:

The proforma adjustments include the following items:

1. Refer to Note 6.6.4 (Cash and cash equivalents) to the Financial Information in the Prospectus.

2. Refer to Note 6.6.5 (Share Capital) to the Financial Information in the Prospectus.
3. Refer to Note 6.6.6 (Accumulated Losses) to the Financial Information in the Prospectus.

This announcement has been authorised by the Board of the Company for release.

For further information, please contact:

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