



ZEUS
RESOURCES LTD

17 May 2024

Statement from Directors – Ding Xu and Sitong Wu

Zeus Resources Ltd (ACN 139 183 190) (ASX: ZEU) (Zeus or the Company) advises that it has received a Statement from its Directors, Ding Xu and Sitong Wu, pursuant to section 203D of the Corporations Act (Cth) 2001.

The Director Statement relates to the shareholder meeting scheduled for 6 June 2024 which was announced on 7 May 2024. A full copy of the Notice of General Meeting and Proxy Form was included in that announcement.¹

A copy of the Director Statement is attached.

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

ENDS

For further information, please contact:

Mr Jian Liu

Executive Director

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Zeus Resources Limited

Statement From Directors – Ding Xu and Sitong Wu

Dear Shareholders,

This letter accompanies a Notice of Extraordinary General Meeting (“Meeting”) of shareholders of Zeus Resources. That meeting has been convened at the request of a newly constituted group of small shareholders (“Associates”), associated with Colin McKay, Dean Andrew Kent <The Wattle A/C> and Orc Pty Ltd.

To protect the interests of most shareholders and avoid the Company being dominated by a small group of associates, ZIMC as the largest shareholder has also requested for an Extraordinary General Meeting. Our view is that the Company's governance should remain fair and transparent.

We (Ding Xu and Sitong, “We” & “Us”) are writing to you to seek your support and that you **VOTE AGAINST RESOLUTIONS 1-7 AND TO VOTE FOR RESOLUTIONS 8** at the meeting, namely resolutions to remove Us as directors of Zeus and to appoint Mr Tan and Mr Pilgrim as directors of Zeus.

In effect, a group with minor shareholdings (Colin McKay’s shareholding is ~2% and Mr Pilgrim holds no known shares) is seeking to dominate Zeus’ board in their own short-term interests.

We would like to make the following statements:

1. We are concerned about the affiliation of the two proposed directors, Mr Alvin Tan and Mr Hugh Pilgrim, with Mr Colin McKay, as indicated in the 249D notice served on April 16th. The potential influence or alignment of the proposed directors with Mr McKay potentially raises questions about their independence and objectivity.
2. We are concerned that Mr Colin McKay's intention is to gain control of the new board, which is considered unfair to other shareholders. The board perceives Mr McKay's actions as an attempt to consolidate control over the company's decision-making processes, potentially to the detriment of other shareholders' interests.
3. Mr Colin McKay, in his previous role as Director of the Company, resigned after breaching the Securities Trading Policy and has caused considerable damage by failing to adhere to rules and regulations. His interview with the Financial Review in 2023 has tarnished the reputation of both fellow directors and the Company, as well as negatively impacting shareholder value.
4. In response to the statements made by Mr. Colin and Associates in document 249P, we would like to address the market. After our appointment to the Board in April 2022, we are committed to working with the other members of the Zeus Board of Directors. Through nearly a year of hard work, Zeus company from the suspension state into the resumption state. Subsequently, we carried out the work of strategic selection, actively carried out the operation

of mining rights, optimized the allocation of mining rights assets, and greatly increased the number and area of mining rights held by the company. When everything was moving towards the normalization, Mr. Colin and other shareholders initiated the shareholders' meeting to block all this.

5. We suggest that all shareholders consider the risk of the company being controlled by associated parties. All shareholders need to evaluate the potential risks associated with certain individuals or groups gaining significant influence or control within the company.

We urge you to **VOTE AGAINST RESOLUTIONS 1-7 AND TO VOTE FOR RESOLUTIONS 8** as outlined in the Notice of Meeting. Resolutions 1-7 may lead to undue influence or control by certain parties. Your support is crucial in ensuring the Company's governance remains fair and transparent.

Yours sincerely,



Ding Xu

Chairperson

17/5/2024



Sitong Wu

Executive Director

17/5/2024