Zeta Resources Limited

ASX ANNOUNCEMENT
23 June 2014

DEEP DRILLING AT ILGARARI IDENTIFIES SIGNIFICANT COPPER TARGET

The Company is pleased to re-release the positive results from three diamond drill holes recently completed under the Western Australian Government Exploration Incentive Scheme at the Company's 100% owned Ilgarari Copper Project. Additional disclosures in the JORC 2012 Table 1 Appendices have been made.

Drilling Highlights (Refer to Figure 2 for drill hole locations).

- **Diamond drill hole, DD14IL175, under the Ilgarari workings intersects 10 metres averaging 1.8% copper and 2 metres averaging 2.4% copper in chalcopyrite mineralisation.**

- **Intersections in DD14IL175 demonstrate continuity of mineralised structures to a depth of 350 metres.**

- **Diamond drill hole, DD14IL14, located 2.5 kilometres along strike from the Ilgarari Copper Mine intersects 4 metres averaging 1.06% copper including 1 metre at 3.60% copper in chalcopyrite mineralisation within the Ilgarari shear at a depth of 450 metres**

- **The discovery in DD14IL14 opens up potential for a significant copper target along five kilometres of untested strike outside of the existing JORC 2012 resource estimate at the project.**

Diamond hole DD14IL175 was collared to target extensions to the mineralisation below the Alac workings intersected in earlier drilling programs. The hole intersected four mineralised horizons within a sulphide matrix in the form of chalcopyrite, cuprite and bornite. The highest assay recorded was **10 metres averaging 1.8 % copper from 251 metres and 2 metres averaging 2.4% copper from 345 metres.**

The results from 14DDIL175 demonstrates that the secondary copper mineralisation located near surface is continuous to a depth of at least 200 metres and transitions from oxide to sulphide mineralisation below 200 metres. The mineralisation remains open at depth. A cross section diagram of this hole and previous drilling located on local grid 10550N is shown Figure 5.

Two diamond holes, DD14IL13A and DD14IL14 were drilled to a depth 509 metres and 589 metres respectively. The purpose of the two holes was to test if there is a geological relationship between

the deep seated East - West (EW) trending Mt Vernon mantle-tapping fault system that is interpreted to cross cut the copper mineralised Ilgarari shear.

It is considered that the primary source of copper found in the Ilgarari shear may have been remobilised from the major EW faults as is evident in other large deposits in the region such as ABRA and COBRA located 80 kilometres to the west of Ilgarari.

Diamond holes, DD14IL13A and DD14IL14 were designed to target the interpreted intersection of the Mt Vernon Fault and the Ilgarari shear below 400 metres. The drill hole collars were designated based on information generated from previously completed regional geophysical and seismic traverses undertaken in the area.

Although neither of the above holes intersected the Mt Vernon fault and therefore the geological concept remains untested, both holes did pass through the Ilgarari shear zone. (Refer Figures 6 and 7).

No mineralisation was observed in hole DD14IL13A, **however DD14IL14 intersected four metres averaging 1.06% Cu (including 1m at 3.6% Cu) in chalcopyrite mineralisation within the Ilgarari fault at a depth of 450 metres.**

The discovery of copper sulphide mineralisation in hole DD14IL14 opens up potential for a significant copper target. The Ilgarari shear, which can be traced on air magnetic images extends for at least five kilometres to the north east of the Ilgarari workings, is completely untested and is covered by 8 - 10 metres of weathered carbonaceous siltstones which is conducive to the formation of secondary copper mineralisation.

Down hole EM surveys are now planned to see if there is any mineralisation proximal to the diamond drill holes which may be indicative of major structures. A range of geophysical surveys are also under consideration to assist in identifying the location of the Mt Vernon fault zones in an effort to fully test the geological concept.

The Company is also in the process of designing an exploration drilling program to test the potential of the secondary copper target identified along the Ilgarari shear zone.

Media Contacts:
Dugald Morrison
ICM
Email: contact@icmnz.co.nz

Competent Persons Statement

The information in this report as it relates to exploration results and geology has been compiled by Dr Bryan Smith (Member Australasian Institute of Mining and Metallurgy) who is a self-employed consultant Dr Smith has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Dr Smith consents to the inclusion in the report of the matters based on information provided in the form and context in which it appears.

Figure 1: Ilgarari Copper Project Location Plan

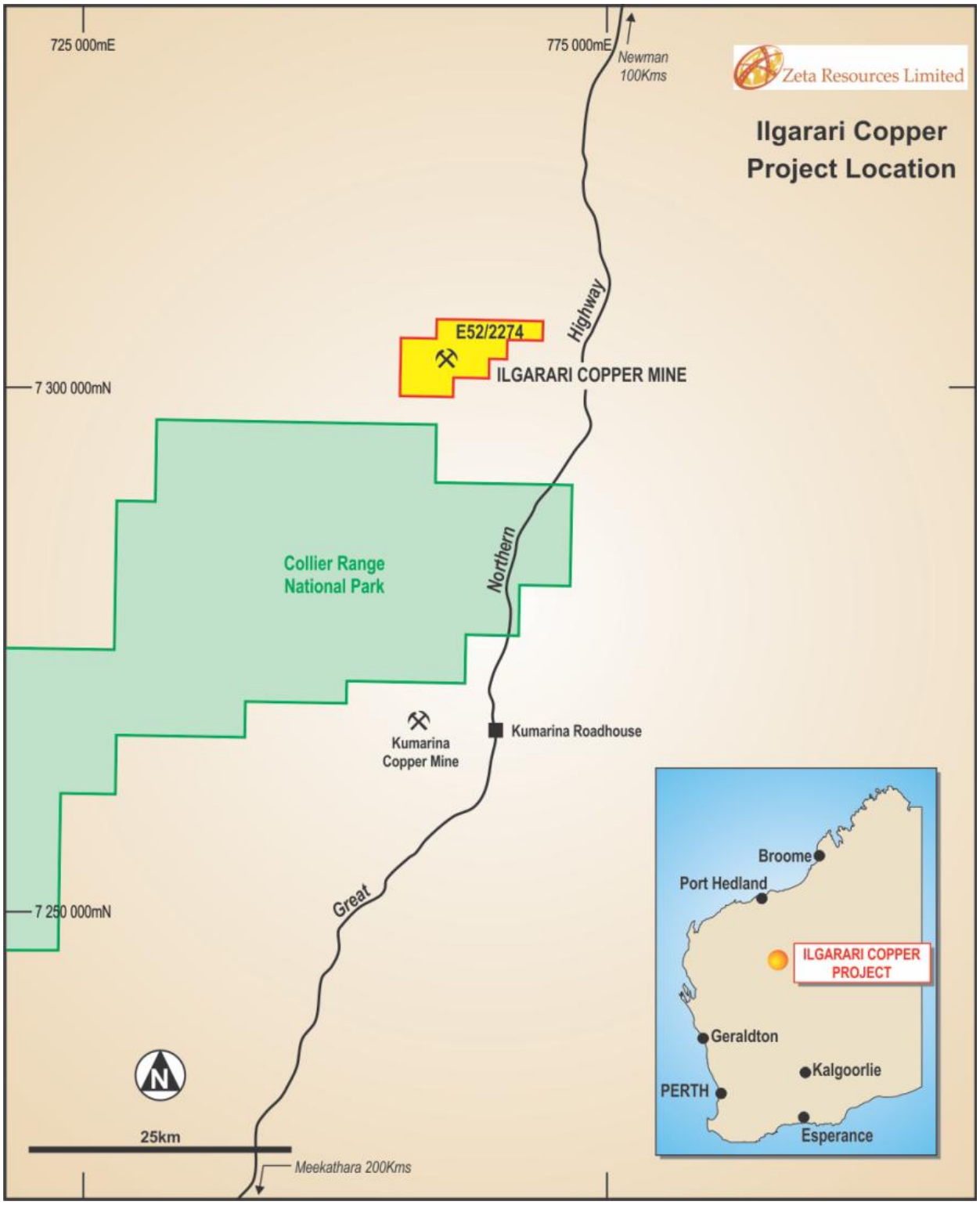


Figure 2: Ilgarari Copper Project – Tenement layout and drill hole location plan

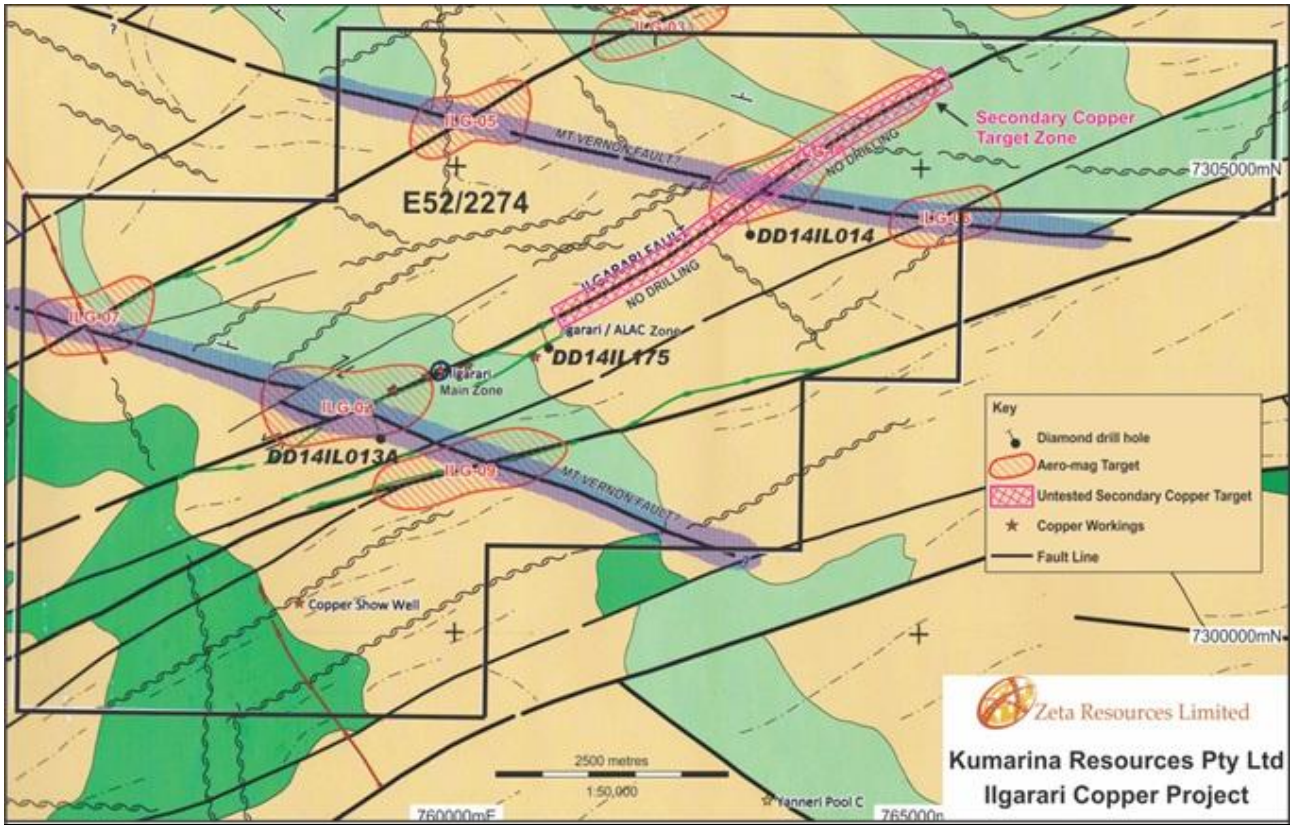


Figure 3: DD14IL175 Chalcopyrite / Bornite mineralisation at 352 metres

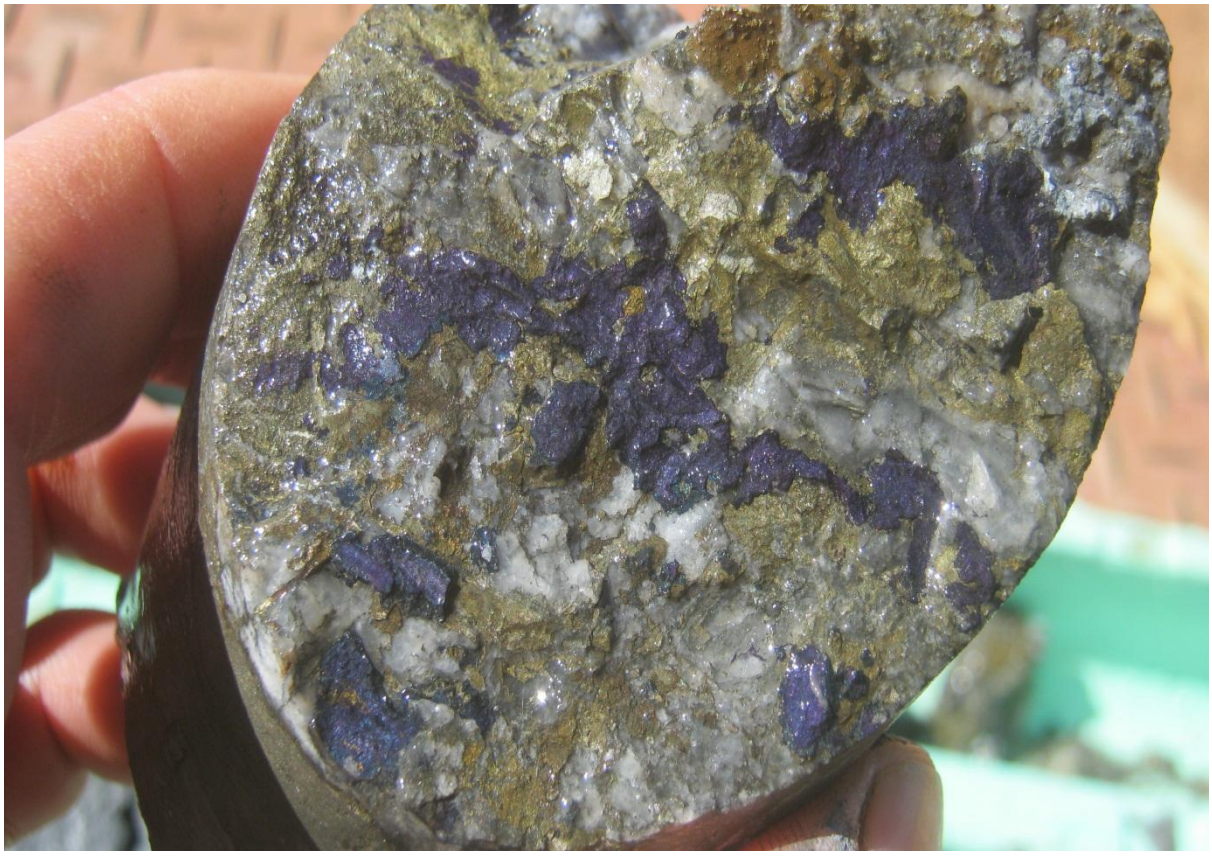


Figure 4: DD14IL14 Chalcopyrite mineralisation at 451 metres

Figure 5: Diamond Drill Hole DD14IL175

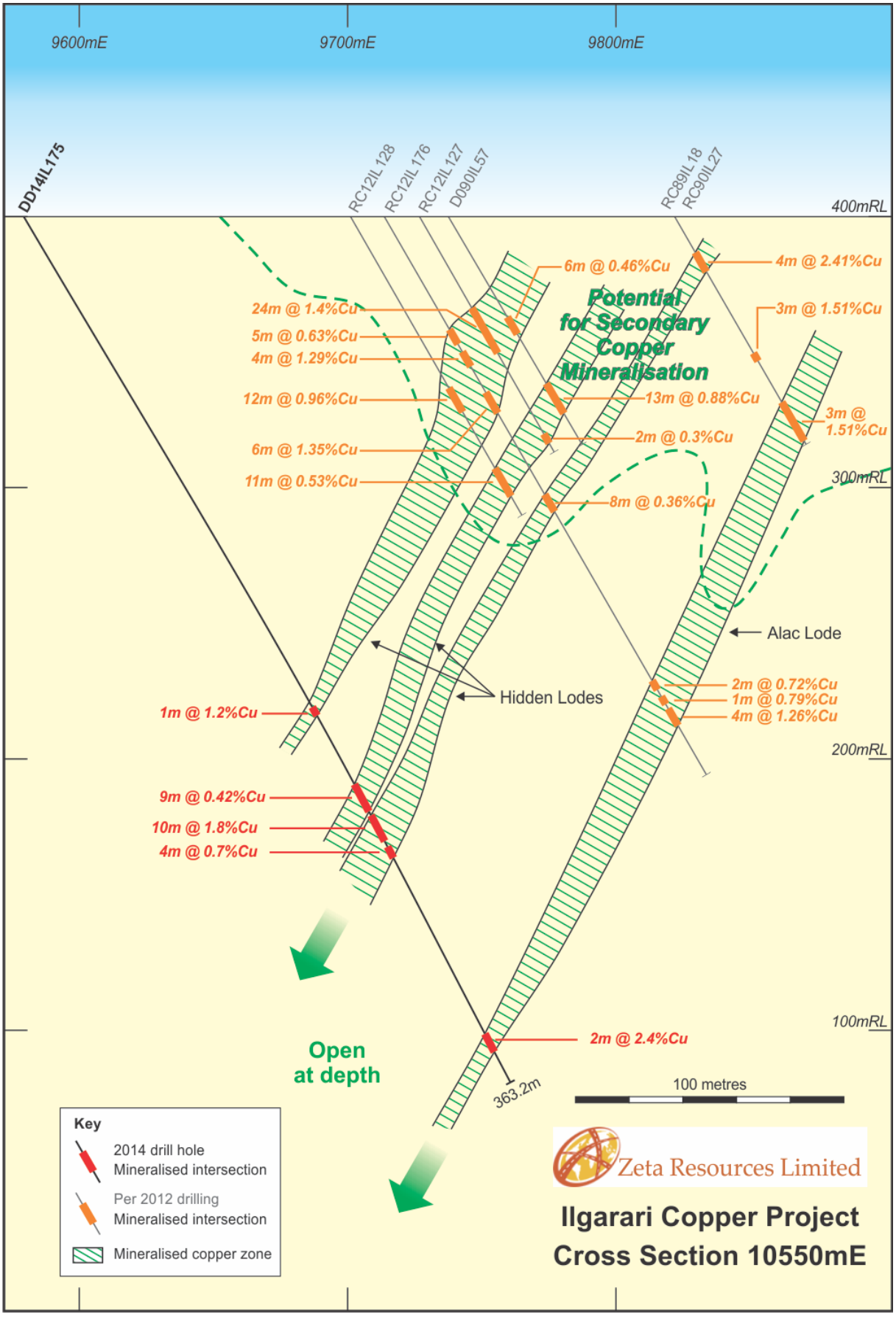


Figure 6: Diamond Drill Hole DD14IL14

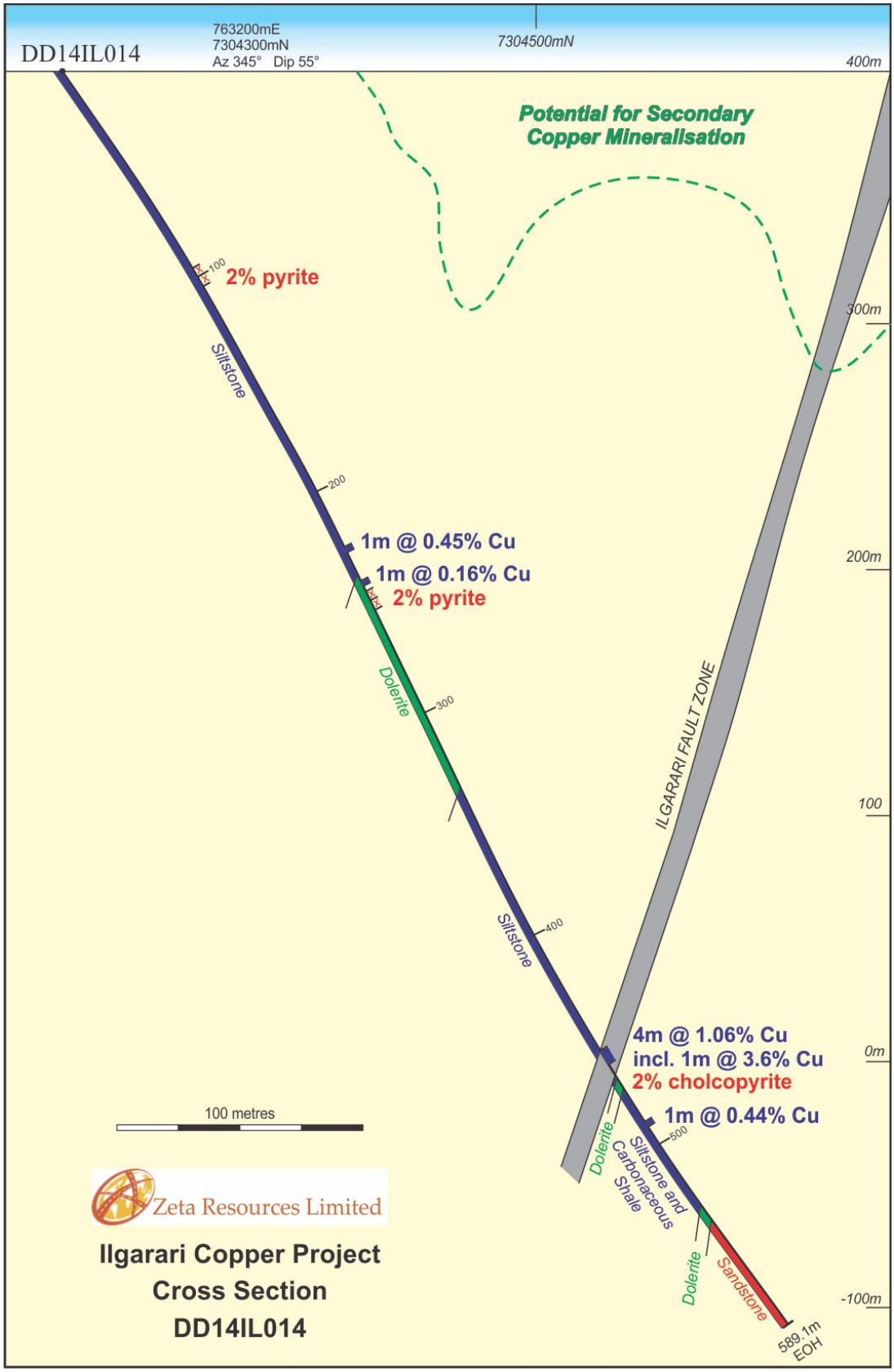
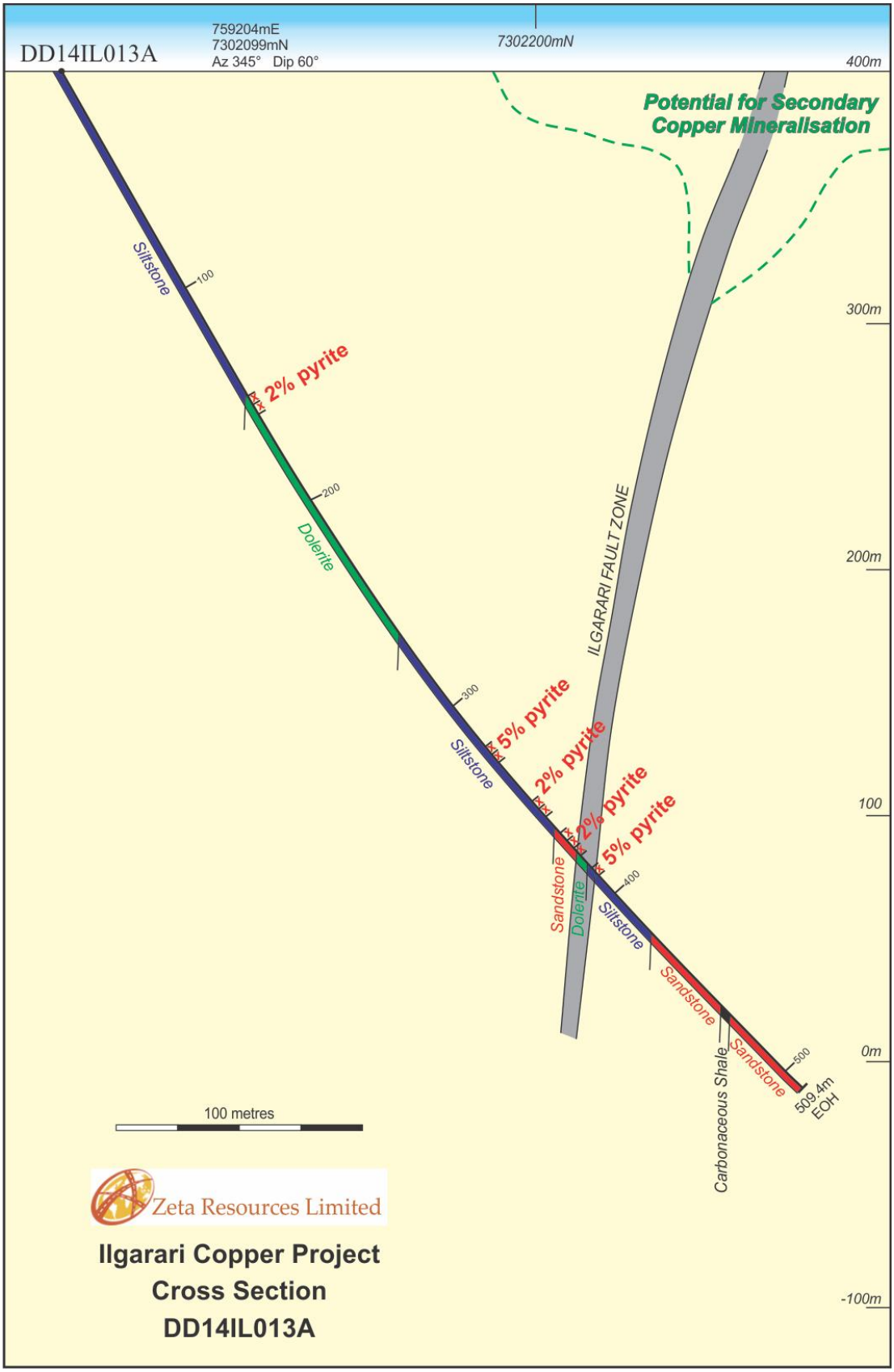


Figure 7: Diamond Drill Hole DD14IL13A



JORC 2012 TABLE 1 DEEP DRILLING AT ILGARARI

Section 1 Sampling Techniques and Data

Criteria	Commentary
Drilling techniques	Four pre collar holes were drilled and one was abandoned. All of the holes were started at a dip of 60^{o} using RCP and drilled at 135mm diameter using a face sampling hammer. The holes were maintained in a dry condition using high pressure air (1000 psi and 500 cfm). For four of the drill holes when the ground conditions allowed a change to diamond drilling was made with initial coring being HQ (in one case HQTT) to be followed by NQ2 diameter in competent ground. Consistency of the dip was assisted by using a chrome barrel. Six metre runs were used where ground conditions were suitable.
Sampling techniques.	For the RCP drilling the cuttings from each one metre advance were collected in a cyclone and passed through a Jones riffle splitter which separated approximately $1/8^{th}$ from each metre of cuttings (approx.. 3.5 kg) for later analysis. All of the samples were scanned using a hand held XRF instrument. Sampling for conventional analysis by acid digest followed by AAS or OES was restricted to the metre intervals where XRF analysis returned values greater or equal to 0.1% Cu. For the diamond core mineralized sections identified by geological logging were split by diamond sawing along the axis marked up using the orientation tool. It was then quarter sawn and one metre intervals taken for analysis.
Analytical techniques.	The mineralized samples to be analysed were completely pulverised to P75/85 and 10 g was taken for gold analysis by digesting the sample with aqua regia followed by solvent extraction and determination of gold by AAS. The detection limit was 1 ppb Au. Part of each sample was also digested with a four acid mixture of HCl, H_2SO_4, HNO_3 and HF and the solution analysed for 12 elements by OES. The detection limits in ppm are shown in parentheses Ag (0.5), As (10), Co (1), Cr (5), Cu (1), Fe(0.01%), Mg (20), Mn (1), Pb (5), Sb (5) and Zn (1). Samples with Cu values greater than 2% were diluted and re-analysed.
Check analyses and standards.	Random analyses of one in ten samples were duplicated to check on analytical precision and eight certified standards were analysed to check on analytical accuracy. Three control blanks and an acid blank were also analysed. All of the check analyses fell within accepted NATA limits.
Sample recovery.	Recoveries were assessed by weighing the bags from each metre advance of the RCP drilling and assuming a constant drill hole diameter of 135 mm and a bulk density of 2.5. Recoveries were in the range of 90 to 100% and the dryness of the samples was maintained with high pressure air. Diamond core recoveries were logged as drilling progressed. The recoveries for all of the core samples that were analysed were 100%.
Drill hole surveys	The drill holes were all located using a GPS instrument to a position accuracy of +/-5 metres. The drill hole locations, dips, azimuths, hole depths and significant intersections are set out in Table 2. A plan of the drill hole locations and cross sections of the drill holes are also presented. Down hole surveys of dip, azimuth and magnetic intensity were carried out at 30 metre intervals for the diamond drilling and much more frequently when drilling the RCP pre-collars to check on hole deviations or when excessive deviations were suspected in the diamond drilling. The core was oriented after each run when the core was sufficiently competent.
Geological logging	Geological logging was carried out noting colour, semi-quantitative estimates of mineralogy, weathering, textures and quantitative identification of sulphides. Structural measurements and identification of the mineralogical characteristics of structures were also noted. Geological logging identified mineralized sections that were confirmed by XRF and chemical analysis. The diamond drill core was also photographed.
Orientation of data in relation to geological structures.	The orientation of the data points can be assessed from the cross sections of the drill holes. The holes were collared at 60 degrees dip and at 90 degrees to the strike direction of the targets of sub-vertical shears and faults. Dip of the RC percussion drill holes was very hard to control particularly in the flatly bedded siltstones and sandstones. Much better control was achieved in dolerite. The intention with the diamond tails was to lift the holes as much as possible by a combination of pressure on the drill string and the use of a chrome barrel. The true widths of the mineralized structures can be estimated from the drill sections.

Quality of assay data and laboratory tests.	The samples were analysed by Genalysis Laboratories at Maddington. The samples were completely pulverised to P75/85 and 10 g was split off for gold analysis by digesting with aqua regia followed by solvent extraction and determination of gold by AAS. The detection limit was 1 ppb Au. A second split from each sample was digested with a four acid mixture of HCl, H_2SO_4, HNO_3 and HF and the solution analysed for 12 elements by OES. The detection limits in ppm are shown in parentheses Ag (0.5), As (10), Co (1), Cr (5), Cu (1), Fe (0.01%), Mg (20), Mn (1), Pb (5), Sb (5) and Zn (1). Samples with Cu values greater than 2% were diluted and then re-analysed.
Verification of sampling and assaying.	Random samples selected at a ratio of 1 in 10 were re-analysed to check on analytical precision and eight certified standards were analysed to check on analytical accuracy. Three control blanks and an acid blank were also analysed. All of the check analyses fell within accepted NATA limits.
Data spacing and distribution.	The drill holes were at variable spacing as they were part of an exploration program, not delineation drilling. The hole spacing is shown on the drill hole location plan. Samples that were mineralized were analysed over one metre lengths.
Sample security and audit or reviews.	The samples were secured in numbered calico bags in sealed plastic bags for delivery to the laboratory. Sample procedures in the field were supervised by the exploration manager.

Section 2 Reporting of Exploration Results

Criteria	**Commentary**
Mineral tenement and land tenure status	The Ilgarari Project is located on E 52/2274 in Western Australia. The licence is held 100% by the Company's wholly owned subsidiary Kumarina Resources Pty Ltd No royalties are applicable on E 52/2274 The area is within the Ngarlawangga claim area The tenement is in good standing with the WA DMP
Exploration done by other parties	Ilgarari was previously explored in the 1960's and early 1970's by ConWest5 and then by the Ilgarari Joint Venture in the 1990's. ConWest sunk a number of shafts at the project to exploit two separate occurances of abundant surface outcrop of malachite-azurite mineralisation. Stopes mined above the 29m level averaged 5.3% Cu and between 61m and the 29m level averaged 9.05% Cu. Further exploration work comprising airborne magnetic survey, gridding on 400m line spacing, detailed mapping and rock chip sampling was undertaken in the 1990's by the Ilgarari Joint Venture. A total of 94 RC holes totalling 5,291 metres with 176 metres of diamond tails were completed.
Geology	The drilling intersected sub-vertical copper-mineralized shear systems in flat lying Proterozoic carbonaceous silt stones of the Collier basin. The shear systems strike north east. There were no intersections of interpreted major mantle-tapping east west
Drill hole Information	See attached table
Data aggregation methods	Interval grades are reported as down-hole length weighted using a single copper cut-off grade. of 0.5% Copper. Maximum length of waste: 1 m, No top cut was applied.
Relationship between	All drill holes in this program were drilled from 55 to 70 degrees below horizontal. Mineralisation dips were towards the hole at approximately the same magnitude.

Criteria	Commentary
mineralisation widths and intercept lengths	The true width of mineralised intersections cannot be accurately determined until a thorough geological interpretation is conducted.
Diagrams	See attached figures
Balanced reporting	Refer to announcement detail.
Other substantive exploration data	None
Further work	Down hole EM surveys are planned to test for conductors close to the drill holes. Further drilling is planned, geological team currently designing an exploration drilling program to test the potential of the secondary copper target identified along the Ilgarari shear zone

DRILLING RESULTS

Results shown with a cut off grade above 0.5% Cu

Hole Id	GDA EAST	GDA NORTH	Azimuth	Depth metres	Dip	Depth from	Depth to	Intercept	Cu %
RC12IL175/	761023	7302969	338	RC 160	59.5				
DD14IL175			330.3	DD363.2	60.9	251	261	10	1.8
						343.7	345.7	2	2.4
RC14IL013A/	759204	7302099	345	RC 72	54.5				
DD14IL013A			340.8	DD509.4	59.6	NIL			
RC14IL014/	763203	7304301	345	RC 96	54.8				
DD14ILO14			342.9	DD589.1	60.5	457	458	1	3.6