QUARTERLY ACTIVITIES REPORT

For the period ending 30 September 2015

The Board of Zeus Resources Limited is pleased to release its fourth Quarterly Activities Report covering the period ending 30 September 2015.

Highlights

- Developed drilling plan and budget for Wiluna project with drilling scheduled for January 2016.

- Several exploration and mining projects have been researched. Currently focusing on a gold project in Mid-Asia.

Corporate and Financial

- Quarterly administrative and other operational expenditures are within budget.

- The annual audit has been completed by William Buck. The annual report and other documents required have been released to ASX.

- The AGM of the company will be held on 12th November 2015. Meeting notices and proxy forms have been sent to all shareholders.

Tenement Status

Following a review of exploration results from work conducted in during the previous quarter, Zeus has further consolidated its' tenement holding by voluntarily relinquishing all or parts of tenements now considered to be unprospective.

Tenement transfers for two tenements lodged previously have been completed during the quarter. Current tenement are shown in Figure 1 and detailed in Table 1.

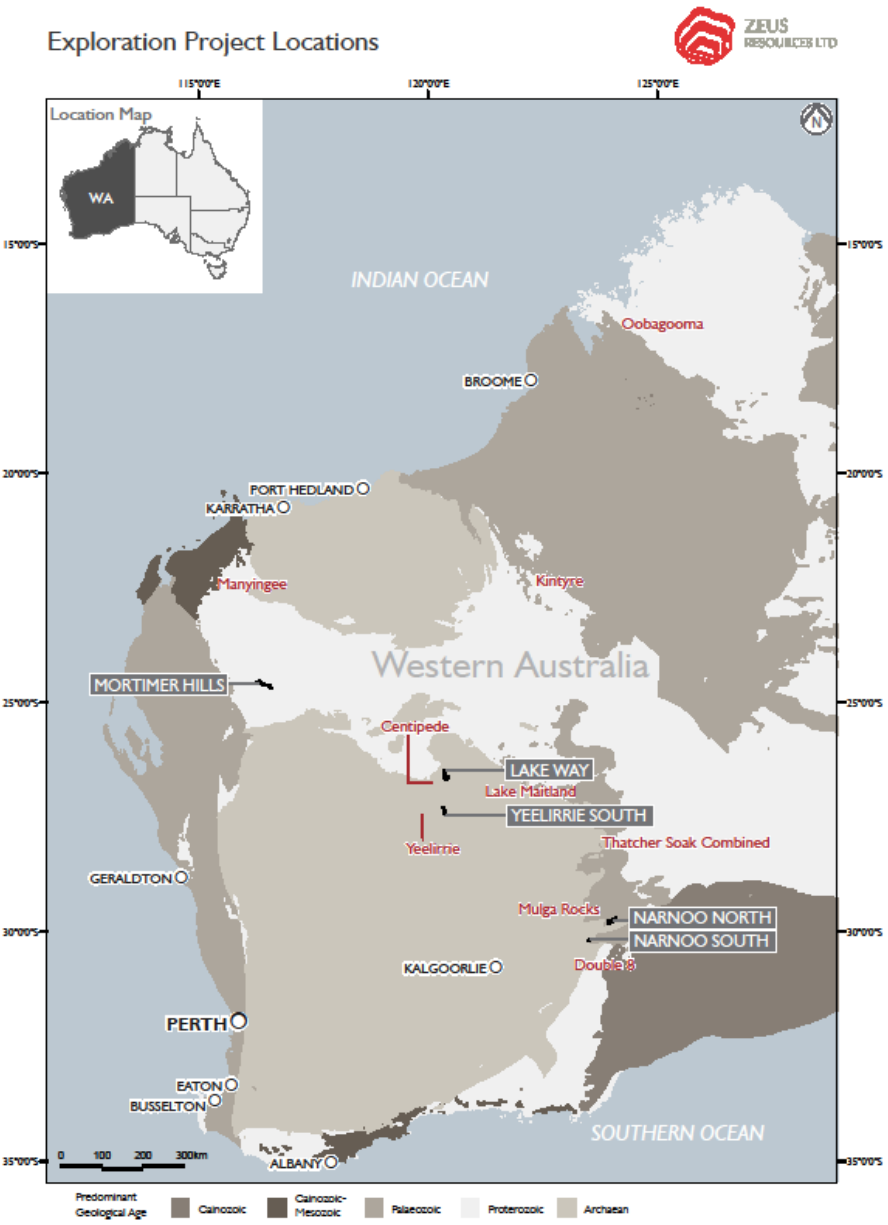

Figure 1. Zeus Resources Tenement Location Map.

Region	Project	Sub-Project	Tenement	Status	Holder	Operator	Comments
Wiluna	Lake Way	Kukububba Palaeochannel	E 53/1601	Granted	Zeus Resources Ltd	Zeus Resources Ltd	
			E 53/1603	Granted	Zeus Resources Ltd	Zeus Resources Ltd	
			E 53/1604	Granted	Zeus Resources Ltd	Zeus Resources Ltd	
	Yeelirrie South	Yeelirrie South	E 36/733	Granted	Zeus Resources Ltd	Zeus Resources Ltd	
Narnoo	Narnoo	Narnoo North	*E 39/1401*	*Granted*	*Zeus Resources Ltd*	*Zeus Resources Ltd*	*Voluntarily Relinquished.*
			E 39/1683	Granted	Zeus Resources Ltd	Zeus Resources Ltd	
			E 39/1687	*Granted*	*Zeus Resources Ltd*	*Zeus Resources Ltd*	*Voluntarily Relinquished.*
			E 39/1689	*Granted*	*Zeus Resources Ltd*	*Zeus Resources Ltd*	*Voluntarily Relinquished.*
		Narnoo South	*E 28/2096*	*Granted*	*Zeus Resources Ltd*	*Zeus Resources Ltd*	*Voluntarily Relinquished.*
			E 28/2097	Granted	Zeus Resources Ltd	Zeus Resources Ltd	
Gascoyne	Mortimer Hills	-	E 09/1618	Granted	Zeus Resources Ltd	Zeus Resources Ltd	Transfer to 100% Zeus completed.
			E 09/2147	Application	Zeus Resources Ltd	Zeus Resources Ltd	New Tenement Application
	Red Rock	-	*E 52/2122*	*Granted*	*Zeus Resources Ltd*	*Zeus Resources Ltd*	*Transfer to 100% Zeus completed. Voluntarily Relinquished.*
North Musgrave	North Musgrave	-	*E 69/2362*	*Granted*	*Zeus Resources Ltd*	*Zeus Resources Ltd*	*Transfer to 100% Zeus completed. Voluntarily Relinquished.*

Table 1. Zeus Resources Tenement Details.

Exploration Program

Exploration efforts during the Quarter have focussed on the review of exploration data acquired during the previous Quarter, and planning of follow up exploration programs.

Wiluna Project

Drilling during December 2014 confirmed the validity of Zeus' exploration model and validated the effectiveness of ground gravity to define the palaeochannels. Prospective reduced sediments were determined to be widespread at depth within the Lake Way and Yeelirrie Palaeochannels, with two regionally extensive target sand horizons determined to be restricted to the palaeovalley axes.

During the Quarter a Program of Works (PoW) detailing proposed follow up drilling on the Lake Way and Yeelirrie South Projects was submitted to the Department of Mines & Petroleum (DMP). Proposed drilling targeted prospective reduced palaeochannel sandstones within the Kukububba (Lake Way) and Yeelirrie South Palaeochannels.

This PoW has been approved the DMP and Zeus is arranging for aboriginal heritage clearances before commencing.

Narnoo Project

Following review of exploration drilling results from the previous quarter, Zeus has elected to relinquish the E39/1401, E39/1687 and E39/1689 tenements at Narnoo North, and the E28/2096 tenement at Narnoo South. Additionally, the E39/1683 tenement has been reduced in size to focus on the regional RedOx boundary defined by exploration drilling.

Exploration drilling conducted at Narnoo South during the previous quarter on the E28/2097 tenement intersected low-grade uranium mineralisation within a narrow tributary palaeochannel, steeply incised into underlying Permian clays (Figure 2). Tertiary lignites and palaeochannel sandstones were well-developed within the channel, with up to 27m of lignite intersected. A broad zone of lignite-hosted uranium mineralisation, similar in style to the Mulga Rocks Uranium Deposits, occurred at the RedOx boundary developed at the top of the lignite horizon.

Assay results from the mineralised zones within Zeus' drillholes indicate an average thickness of 2-3m, with average grades across this interval exceeding 0.02% U_3O_8. Historical drilling within the vicinity suggests the mineralised zone ranges from 1-5m thick and extends across the full width of the palaeochannel. Mineralisation occurs over a length of ~4km within the channel with this zone remaining open to both the S/SE (upstream) and the W/NW (downstream).

Work during the Quarter has focussed on data capture from historical exploration reports and its incorporation into Zeus' geological model. This data has been used to assist in developing a preliminary resource drilling program of 30 holes for a total of 1,600m in order to confirm grade and thicknesses prior to conducting further work.

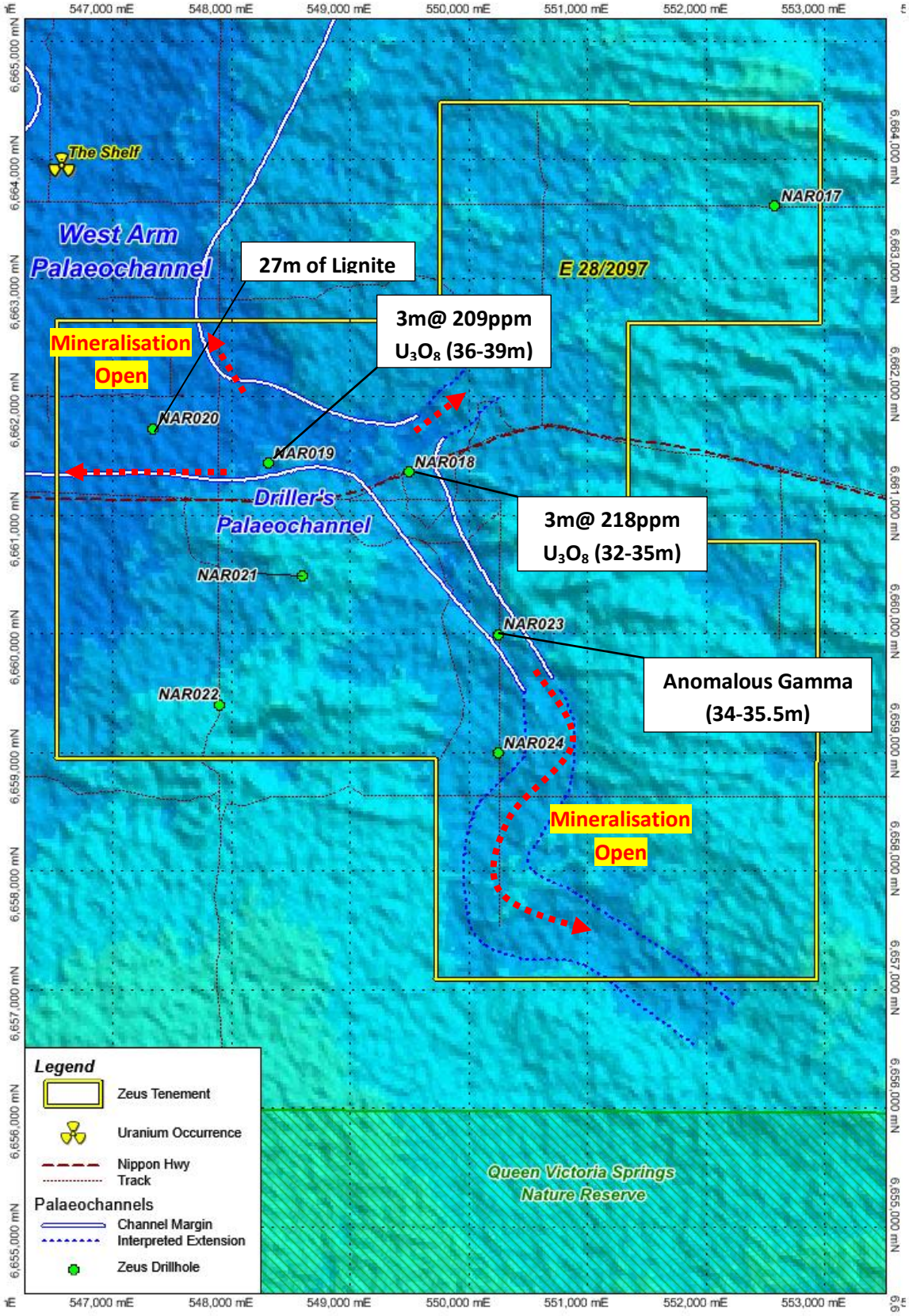

Figure 2. E28/2097 SRTM image showing Zeus drillholes and interpreted palaeochannels.

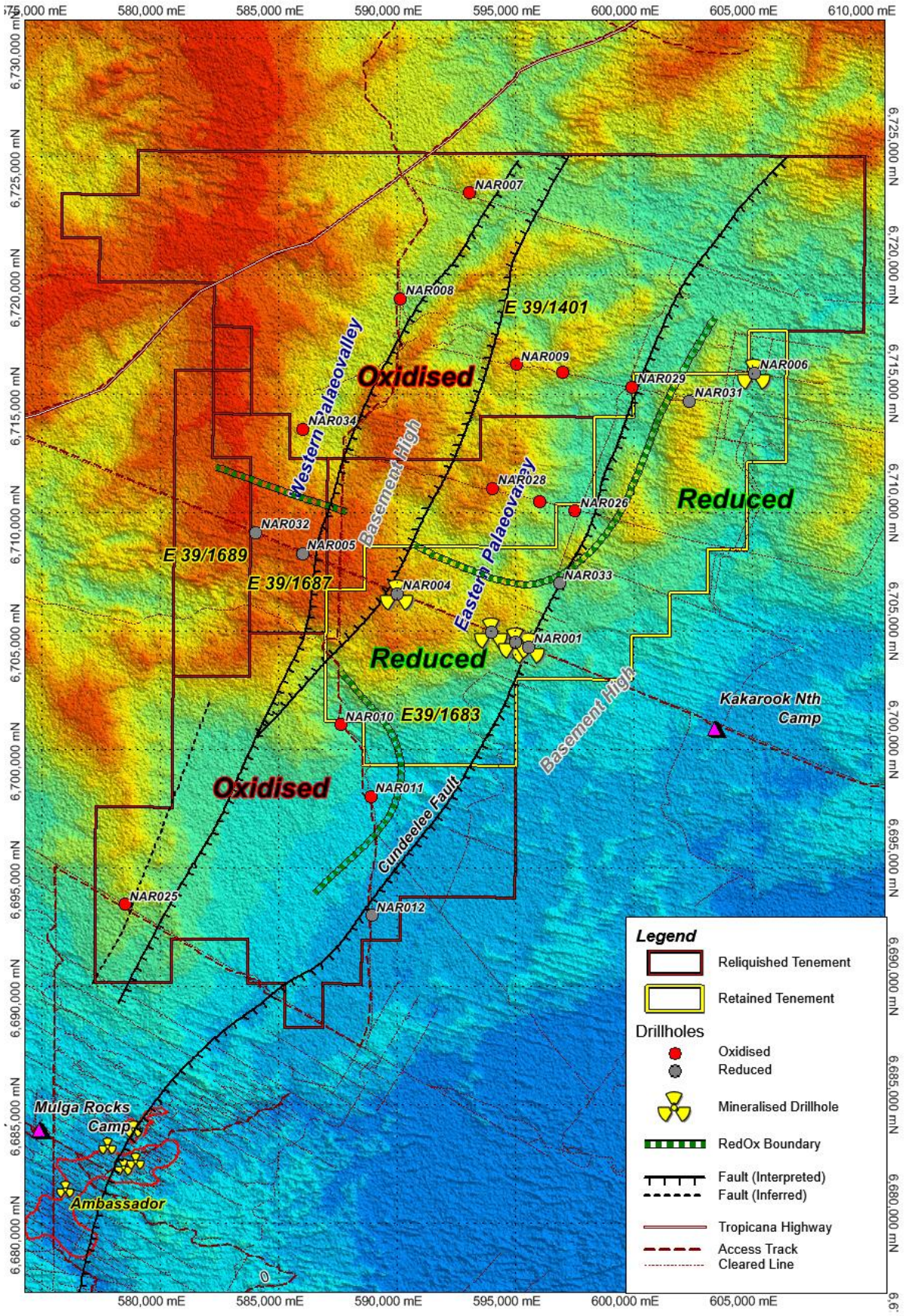

Figure 3. Narnoo North tenements showing Zeus drillholes and interpreted palaeogeography over surface elevation (SRTM)..

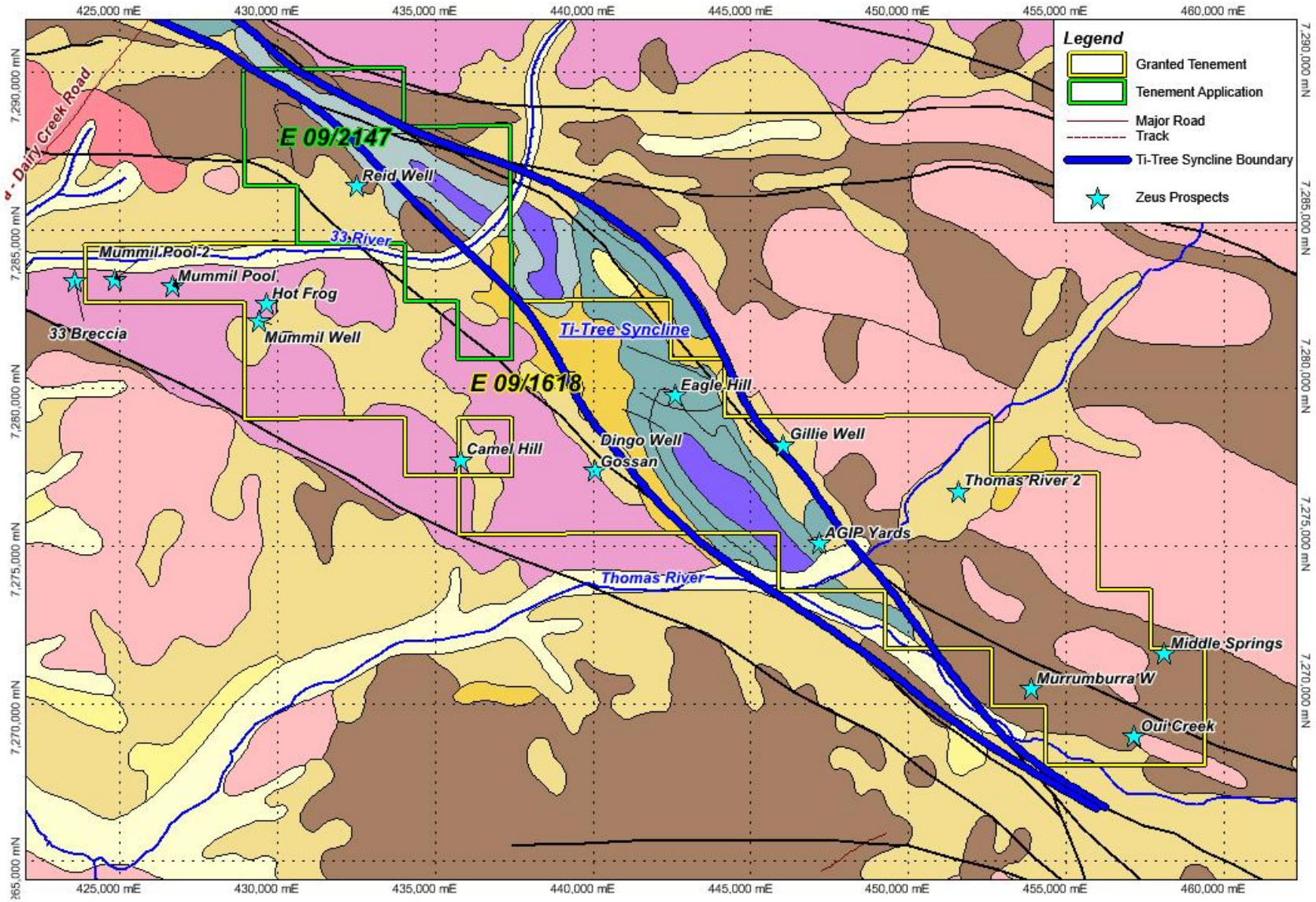

Figure 4. Gascoyne Project tenement map showing regional geology and prospect locations.

Gascoyne Project

Following encouraging exploration results obtained during the previous Quarter, work during the quarter comprised ongoing review, data entry and analysis of historical exploration data within the region. Follow up field work and mapping of previously identified Iron-Oxide hosted Uranium and Base Metal prospects is currently being planned in order to facilitate exploration drilling of these targets.

Zeus' tenement application (E09/2147) covering outcropping base metal mineralisation discovered during the previous quarter at the Reid Well prospect, has continued to progress with the tenement application likely to be granted in the coming Quarter.

Historical exploration data within the region is being reviewed to assist in planning further field work upon grant of the tenement.

North Musgrave Project

Zeus has elected to voluntarily relinquish the E69/2362 tenement due to the high costs associated with native title and access difficulties to the tenement. No further work will be conducted on the tenement.

Competent Person Statement:

Information in this release that relates to Exploration Results is based on information compiled by Mr Jonathan Higgins, who is a Member of the Australian Institute of Mining and Metallurgy (AusIMM). Mr Higgins is a full-time employee of Zeus Resources Limited. Mr Higgins has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Higgins consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

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.*	• All drill holes were down hole gamma logged by a contractor provided by Vimy Resources Ltd utilising a calibrated 33mm Auslogger natural gamma probe within the drill rods. • Downhole gamma data was collected at 2cm intervals. • Downhole gamma results have not been reported and was used to select intervals for conventional geochemical assays.
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	• Vimy Resources Ltd provided a calibrated 33mm Auslogger natural gamma probe for the duration of the drilling program.
	• *Aspects of the determination of mineralisation that are Material to the Public Report.*	• N/A
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).*	• Drilling was conducted using a DRILLBOSS 200 aircore drilling rig supplied by Bostech Drilling. • Vertical drillholes were drilled through Tertiary palaeochannel sediments until economic basement was reached. • Economic basement comprised Permian claystones or Proterozoic metamorphic rocks.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.*	• All drill cuttings were collected at 1m intervals from the drill-rig cyclone in sample bags (amounting to 20-30kg of sample per metre).
	• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*	• Entire sample intervals drill cuttings were collected at 1m intervals from the drill-rig cyclone in sample bags (amounting to 20-30kg of sample per metre).

	• *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.*	• Sample loss does not affect qualitative downhole gamma logging data. • All drill cuttings were collected and bagged for each 1m sample interval.
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.*	• All aircore cuttings were geologically logged in detail at 1m intervals. • Cuttings samples were checked on site using a hand held RS125 Super Spectrometer and radiometrically anomalous samples submitted for assay
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*	• Representative cuttings samples were collected in chip trays with a reference photography being taken to record colour and redox state.
	• *The total length and percentage of the relevant intersections logged.*	• All aircore cuttings were geologically logged in detail and the entire drillhole was downhole gamma logged within the drill rods.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.*	• N/A
	• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*	• Samples were collected by spearing of wet and dry samples. Tertiary sediments were generally dry whilst Permian claystones (basement) were usually wet.
	• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	• N/A
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	• N/A
	• *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.*	• Samples were collected from bags by multiple spearings from different angles within the sample bags.
	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Sample sizes are appropriate for the grainsize of the material.
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.*	• 85 samples, including Zeus standards and field duplicates, were submitted to Intertek/Genalysis for a range of element analyses, including uranium. Assay method was multi acid

		digest, ICPAES and ICPMS finish (Method codes 4A/MS and 4A/OE). • Appropriate QA/QC procedures including the use of sample blanks, repeats and standards were applied by the laboratory.
	• *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.*	• Cuttings sample radiometrics were individually analysed using hand held self-calibrating RS-125 Spectrometer containing a 6.3 cubic inch Sodium Iodide (NaI) crystal. • Spectral analysis was conducted on selected samples to aid in sample selection but has not been reported due to the inherent inaccuracy of their semi-quantitative analysis.
	• *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.*	• Selected sample intervals were submitted to Intertek/Genalysis for conventional assay. • Sampled were crushed and pulverised before assaying for 16 elements. • Assay techniques comprised : ○ 4A/MS - Four-acid digest including Hydrofluoric, Nitric, Perchloric and Hydrochloric acids in Teflon Tubes. Analysed by Inductively Coupled Plasma Mass Spectrometry (ICP-MS). ○ 4A/OE - Four-acid digest including Hydrofluoric, Nitric, Perchloric and Hydrochloric acids in Teflon Tubes. Analysed by Inductively Coupled Plasma Optical (Atomic) Emission Spectrometry (ICP-OES). • Reference standards and blank samples were inserted at 1 in 20 ratio. • An additional 5% of Samples were check assayed by the laboratory with laboratory blanks and standards each inserted at 1 in 20 ratio.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.*	• All drill results are checked by a senior Zeus employee who has experience with uranium deposits; no independent checks were completed on these data.
	• *The use of twinned holes.*	• N/A

	• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	• Primary assay data (including assay certificates) is stored electronically as either '.csv' or '.pdf' or Wellcad files on the Zeus server in both Zeus' Sydney and Perth offices. • Assay data has been verified by senior Zeus personnel. • Zeus' database and server is backed up regularly
	• *Discuss any adjustment to assay data.*	• Laboratory values for uranium assays in parts per million were multiplied by 1.179 to obtain the oxide U_3O_8 grade. • Assay data was supplied in elemental U and oxide U_3O_8 format by the laboratory.
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.*	• Sample locations were recorded using handheld GPS. • Elevations is derived from a digital elevation model produced during geophysical surveying over the tenement area. • Drilling comprised initial scout exploration drilling. No down-hole surveys were completed since all holes were drilled vertically and the shallow hole depths relative to wide drill spacing would have a negligible on any mineralised intercepts.
	• Specification of the grid system used.	• The grid system used is GDA94, Zone 51.
	• *Quality and adequacy of topographic control.*	• The primary topographic control is from the Digital Elevation Mode which is sufficient given the generally flat-lying nature of the Tertiary sediments.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.*	• Drillhole spacing is currently at a 1 to several km spacing.
	• *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied*	• Data spacing is not yet sufficient to establish any degree of geological and grade continuity.
	• *Whether sample compositing has been applied.*	• *No sample compositing has been applied. Assay samples comprise 1m intervals.*
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.*	• Drillholes were oriented vertically. Drillhole traverses were oriented perpendicular to prevailing geological structures in order to define a cross-section across structurally-controlled palaeochannel systems (as interpreted from geophysical surveying).

	• *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.*	• Drillholes were not surveyed using a downhole orientation tool and cannot be incorporated in any future ore reserve calculations. • No sampling bias is evident in the orientation of the drill holes.

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 11 granted exploration tenements within the Wiluna **and** Narnoo Regions. • Zeus operates a further 6 granted exploration tenements within the Wiluna, Gascoyne and North Musgrave regions. Transfer of tenement ownership to 100% of tenement ownership to Zeus Resources Ltd is in progress at the time of writing. • Tenement details and status are outlined in Table 1. • Drilling was conducted on the E28/206, E28/2097, E39/1401, E38/1683, and E39/1687 tenements which are 100% owned by Zeus Resources Ltd.
	• *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 publically available historical exploration data from the WA Department of Mines & Petroleum "WAMEX" dataset. • Regional scale drilling was conducted by BP Minerals during the 1979-1981 period with several exploration holes being sited on Zeus' tenements in the Narnoo Region.
Geology	• *Deposit type, geological setting and style of mineralisation.*	Potential deposit types/mineralisation styles at the Narnoo Projects include: • Calcrete- and sandstone-hosted uranium mineralisation within Mesozoic to Tertiary Palaeochannels and modern drainage systems. • The primary exploration target comprises sandstone-hosted

		peneconcordant uranium mineralisation developed at the base of the Tertiary palaeochannels, similar in style to that seen at Vimy Resources' Princess Deposit.
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:*	• Refer to table 2.
	• *easting and northing of the drill hole collar*	• Refer to table 2.
	• *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*	• Refer to table 2.
	• *dip and azimuth of the hole*	• Refer to table 2.
	• *down hole length and interception depth*	• Refer to table 2.
	• *hole length.*	• Refer to table 2.
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• Refer to table 2.
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.*	• A cut-off grade of 200ppm (0.2% U_3O_8) has been used for mineralisation. Grades below this are referred to as anomalous U or gamma. Grades <50ppm $U_3O_8$are not considered significant.
	• *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.*	• N/A
	• *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Uranium values have been reported as U_3O_8 (ppm) derived from laboratory assay. No metal equivalent values have been reported.

Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.*	• Uranium mineralisation widths as reported have been derived from samples of aircore drilling cuttings taken at 1m intervals.
	• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*	• Uranium mineralisation is interpreted to be broadly tabular (peneconcordant) in style but drill spacing is insufficient to determine further.
	• *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').*	• Only downhole lengths are reported. These lengths are appropriate given the vertical orientation of the drillholes and the flat-lying nature of mineralisation.
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.*	• N/A.
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.*	• As comprehensive reporting of all exploration results is not practicable, representative reporting of both low and high grades have been conducted.
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 geochemical survey results have been accurately reported.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	• Planned further work comprises exploration drilling. • Subsequent exploration work will be dependent upon results received.
	• *Diagrams clearly highlighting the areas of possible*	• See Figure 2.

	extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	