

9 June 2021

## SUCCESSFUL COMPLETION OF PLACEMENT

### AND CONTRACT AGREEMENT WITH CLOUD SECURITIES PTE. LTD.

#### Placement and Attaching Options

Zeus Resources Ltd (ACN 139 183 190) (the **Company**) (**ASX: ZEU**) is pleased to announce that the Company has received commitments to raise \$810,000 via a placement of 27 million fully paid ordinary shares ("**Shares**") at 3 cents per share to new investors ("**Placement**"). Subject to and conditional on shareholders' approval, the Placement investors will receive one unquoted non-transferable option for every three Shares acquired under the Placement ("**Attaching Options**"). On valid exercise, the Attaching Options will allow the option holder to have issued to them one Share for every Attaching Option and have an exercise price of 10 cents per option with a term of 12 months from the issue of the options.

The Placement will settle in two-tranche issue. The first tranche, under which 27 million Shares will be issued to raise \$810,000, is being conducted under the Company's existing 15% placement capacity pursuant to ASX Listing Rule 7.1. The 9 million Attaching Options to acquire Shares at an exercise price of 10 cents per option will only be issued after shareholders' approval under ASX Listing Rule 7.1 is obtained.

#### Contract with Cloud Securities Pte. Ltd. ("**Cloud Securities**")

The Company is pleased to announce that it has signed a one-year agreement with Cloud Securities. Cloud Securities is a Singapore based company that specialises in assisting mining and exploration companies with their business development.

Under the terms of the agreement, Cloud Securities:

- agrees to locate and introduce to the Company, prospective new potential mining tenements and/or projects both in Australia and/or internationally that the Company may choose to acquire an interest in so as to progress its plans to develop an operating mine (Projects);
- agrees to bring to the Company a minimum of three potentially prospective new mining projects for their perusal within 12 months of executing the agreement; and
- represents and warrants that it has given a binding commitment to the Placement lead manager to acquire any Shares not taken up under the Placement and undertakes to ensure that this commitment is not terminated before the issue of the Shares under the Placement.

Under the terms of the agreement, the Company agrees that, subject to and conditional on the Company's shareholders' approval, formal legal documentation and relevant disclosures, it will issue to Cloud Securities, or their designated nominees (as approved by the Company), 12 million unquoted non-transferable options which allow the option holder to have issued to them one Share in the Company per option at an exercise price of A\$0.03 per option and an exercise period of 6 months from the issue of the options ("**Contractor Options**"). Shareholders' approval under ASX Listing Rule 7.1 for the Contractor Options is intended to be obtained at the same time as the Attaching Options.

The agreement with Cloud Securities can be terminated by either party at any time before the end of the term if the Placement does not complete or is unlikely to be completed by 31 December 2021 or if the lead manager agreement between Mac Equity Partners (International) Pty Ltd and the Company has been terminated. The lead manager agreement may be terminated by either party at any time.

### Effect of capital raising

The new Shares issued under the Placement will be 27 million which is equal to 13.03% of the Company's total issued Shares. If the Contractor Options at 3 cents are fully exercised, the Shares issued following the exercise of those Contractor Options will be equal to 5.48% of total issued Shares (including the Shares under the Placement). If the Attaching Options at 10 cents are also fully exercised, the Shares issued following the exercise of those Attaching Options will be equal to 3.94% of total issued Shares (including the Shares under the Placement and the Shares issued pursuant to the Contractor Options).

	Current	Placement	Contractor Options (3 cents)	Attaching Options (10 cents)
<b>New Shares</b>	/	27,000,000	12,000,000	9,000,000
<b>Total issued Shares</b>	180,150,000	207,150,000	219,150,000	228,150,000
<b>Percentage</b>	/	13.03%	5.48%	3.94%

**Table 1 – New issued Shares and percentages of total issued Shares**

Settlement of the Placement is expected to take place immediately. The General Meeting of Shareholders to approve the issue of the Attaching Options and Contractor Options is anticipated to be held in late July 2021 (subject to changes by the Company).

### Use of Funds

The Company successfully controlled operating costs within its budget during the relatively slow-moving mining market in the past year. As the mining market is showing signs of recovery, the Company currently intends to take a proactive approach to carry out its regular business and pursue new projects.

The Company will keep investigating new mining projects in uranium, gold, copper and other metals. The project locations will not be limited to Australia; countries located in Southeast Asia and Africa will be also considered. However, there is no guarantee that the Company will identify a viable project and develop it successfully.

The primary use of funds raised through the Placement will be to conduct exploration for existing tenements and maintain the existing tenements; to carry out research work on new projects and explore new and suitable projects to grow the Company; and to meet the funds required for the Company's normal operations.

Mr. Zhang, the Chairman of the Company, commented on the Placement:

*"The recovery of the mining market has increased the confidence to develop the Company. The Company has previously successfully controlled operating costs. The next step will be to adopt a more active strategy to grow the Company. Investors' continued support would assist with investing on new projects. We are very delighted that investors have strongly supported our strategy and welcome new shareholders to join our company."*

## **Risk factors**

The securities in the Company are considered speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors consider the risk factors described below together with information contained elsewhere in this announcement or on the Company's website, and to consult with their professional advisers before deciding whether to acquire or dispose of any securities in the Company. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of its securities.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

### ***No revenue and dependence on continued funding***

At the date of this document, the Company has no income-producing assets and will generate losses for the foreseeable future. Until it is able to develop a project and generate appropriate cashflow, the Company is dependent upon being able to obtain future equity or debt funding to support long term exploration. Neither the Company nor any of the Directors nor any other party can provide any guarantee or assurance that if further funding is required, such funding can be raised on terms acceptable to the Company or at all. Any additional equity funding will dilute existing shareholders.

No guarantee or assurance can be given as to whether a viable project can be identified and developed to the stage where it will generate positive cashflow.

### ***Loss of tenements due to failure to renew or meet minimum expenditure requirements***

The Company currently holds the following exploration licences:

- Wiluna Project - Uranium: Comprises of one exploration license, E153/1603 covering part of the Kukuburra Paleochannel. There are no immediate plans for a drilling program at the Wiluna project, but this is subject to ongoing review by the Board.
- Narnoo South Project – Uranium: Comprises of one exploration license, E28/2097. There are no immediate plans for follow up drilling of the uranium prospect, but this is subject to ongoing review by the Board.
- Gascoyne Project - Copper/Lithium/Gold: Comprises of one exploration license, E09/2147. Further exploration within this project is currently under review.

In order to maintain current rights of tenure to its exploration tenements, the Company is required to perform minimum exploration work to meet the minimum expenditure requirements. The tenements are subject to renewal. There is a risk that the Company may not retain title to these tenements.

### ***Exploration and operating risks***

There is no guarantee that the Company's existing or future projects will be capable of achieving and sustaining commercial development. The Company's existing projects have been subjected to only limited exploratory drilling. Further, the business of mineral exploration, project development and mining by its nature contains elements of significant risk. Ultimate and continuous success of these activities is dependent on many factors such as:

- geological conditions;
- revisions to estimates of mineral and resources and ore reserves and the corresponding grades;
- unanticipated operational and technical difficulties encountered in geophysical surveys, drilling, metallurgical laboratory work and production activities;
- failure of operating plant and equipment, industrial actions, industrial and environmental accidents, acts of terrorism or political or civil unrest and other force majeure events;
- failure of metallurgical testing to determine a commercially viable product; and
- alterations to program and budgets, lack of funding.

### ***Commodity prices and demand***

It is anticipated that the Company's revenues will primarily be derived from the sale of the minerals. Consequently, any future earnings are likely to be closely related to the price of the commodities and demand for the commodities. There is a risk that the Company may not be able to secure an attractive price or volume demand for its commodity products.

Commodity prices and demand fluctuate and are affected by numerous factors beyond the control of the Company. These factors include worldwide and regional supply and demand for the specific commodity, use of the commodity, technological change, prevailing commodity trading terms, general world economic conditions and the outlook for interest rates, inflation and other economic factors on both a regional and global basis. These factors may have a positive or negative effect on the Company's exploration, project development and production plans and activities, together with the ability to fund those plans and activities.

### ***Reliance on key management***

The responsibility of overseeing the day to day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment or are incapacitated for any length of time.

### ***Other risks***

#### ***Other risks include:***

- Limited history of the Company and its projects;
- Target estimates and development success;
- If the Company is experiencing a period of rapid growth and it may not be able to manage the growth;
- Sovereign and political risks associated with the country the projects are operating in;
- Legal risks associated with operating in the country the projects are in;

- Title risks associated with the projects, tenure and access or failure to satisfy expenditure commitments;
- Uncertainties regarding tax;
- Government may impose restrictions or tariffs on the project including export restrictions on the minerals;
- Co-existence rights or competition risks;
- Operating risks, joint venture parties, contractors and contractual disputes or force majeure;
- Infrastructure;
- The Company may not have significant enough insurance coverage to cover potential losses;
- Environmental and regulatory or litigation risks;
- Currency fluctuations when dealing with overseas projects;
- General economic outlook;
- Interest rates and inflation rates;
- Currency fluctuations;
- Changes in investor sentiment toward particular market sectors;
- The demand for, and supply of, capital;
- Terrorism or other hostilities; and
- Geopolitical risks if the offtake destinations elect not to transact for resources from Australia or the jurisdictions the projects are in.

### ***Speculative investment***

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of its securities. There is no guarantee with respect to the payment of dividends, returns of capital or the maintenance of value of those securities. Investors may lose their investment in part or in whole. Potential investors should consider that any investment in the Company is highly speculative and should consult their professional advisers before deciding whether to invest in the Company.

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### **Disclaimers**

This announcement is provided for information purposes only and is not a prospectus, disclosure document or other offering document under Australian law or under any other law.

The information in this announcement is of a general nature and does not purport to be complete. This announcement does not purport to contain all the information that a prospective investor may require in connection with any potential investment in the Company. Each recipient must make its own independent assessment of the Company before acquiring any securities in the Company.

Except for any liability that cannot be excluded by law, the Company and its related bodies corporate, directors, employees, servants, advisers and agents (together, “**Affiliates**”) disclaim and accept no responsibility or liability for any expenses, losses, damages or costs incurred by you relating in any way to this announcement including, without limitation, the information contained in or provided in connection with it, any errors or omissions from it however caused, lack of accuracy,

completeness, currency or reliability or you or any other person placing any reliance on this announcement, its accuracy, completeness, currency or reliability.

#### **Not investment advice**

This announcement is not financial product or investment advice nor a recommendation to acquire or sell securities in the Company. Information in this announcement is not intended to be relied upon as advice to investors or potential investors and has been prepared without taking account of any person's individual investment objectives, financial situation or particular needs.

Each recipient of this announcement should make its own enquiries and investigations regarding all information in this announcement including but not limited to the assumptions, uncertainties and contingencies which may affect future operations of the Company and the impact that different future outcomes might have on the Company.

Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own investment objectives, financial situation and needs and seek legal, accounting and taxation advice appropriate to their jurisdiction. The Company is not licensed to provide financial product advice in respect of its securities.

#### **Past performance**

Past performance of the Company should not be relied on and is not indicative of future performance including future security prices.

#### **Forward looking statements**

This announcement may contain certain forward looking statements. The words 'anticipate', 'believe', 'aim', 'estimate', 'expect', 'intend', 'may', 'plan', 'project', 'will', 'should', 'seek' and similar expressions are intended to identify forward looking statements. These forward looking statements are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company and its Affiliates. Refer to the 'Risk factors' above for a summary of certain risk factors that may affect the Company.

Investors are strongly cautioned not to place undue reliance on forward looking statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the COVID 19 pandemic.

Forward looking statements are provided as a general guide only and should not be relied on as an indication or guarantee of future performance. Actual results, performance or achievements may differ materially from those expressed or implied in those statements and any projections and assumptions on which these statements are based. These statements may assume the success of the Company's business strategies, the success of which may not be realised within the period for which the forward looking statements may have been prepared, or at all.

No guarantee, representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns, statements or tax treatment in relation to future matters contained in this announcement. The forward looking statements are based on information available to the Company as at the date of this announcement. Except as required by applicable laws or regulations, none of the Company or its Affiliates undertakes to provide any additional information or revise the statements in this announcement, whether as a result of a change in expectations or assumptions, new information, future events, results or circumstances.

#### **Not an offer**

This announcement is not an offer or an invitation to acquire securities of the Company or any other financial products. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy securities in the United States or any other jurisdiction where it would be illegal, and will not form any part of any contract or commitment for the acquisition of securities.

This announcement has been prepared for publication in Australia only and may not be released to US wire services or distributed in the United States. The securities have not been, and will not be, registered under the US Securities Act of 1933 (the US Securities Act) and may not be offered or sold in the United States except in transactions exempt from, or not subject

to, the registration requirements of the US Securities Act and applicable US state securities laws. The distribution of this announcement in the United States and elsewhere outside Australia may be restricted by law. Persons who come into possession of this announcement should observe any such restrictions as any non-compliance could contravene applicable securities laws.

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

ENDS

**For further information, please contact:**

**Emily Austin**

Assistant Company Secretary

Melbourne.cosec@boardroomlimited.com.au