

## **QUARTERLY ACTIVITIES REPORT**

**For the period ending 31 March 2015**

The Board of Zeus Resources Limited is pleased to release its fourth Quarterly Activities Report covering the period ending 31 March 2015.

### **Highlights**

- Further analysis on drilling results in Wiluna identified the tenements potential. Application for relinquishment and reduction on part of the tenements has been submitted to reduce tenement area and annual commitment due to low prospectivity. Key tenements have been targeted for further exploration.
- Research on geological information and historical drilling data of Narnoo Project was carried out. Finalised the next drilling plan and budget as well as other related preparatory works.
- Several exploration and mining projects have been reviewed. Currently continuing evaluation of one project in Cambodia.

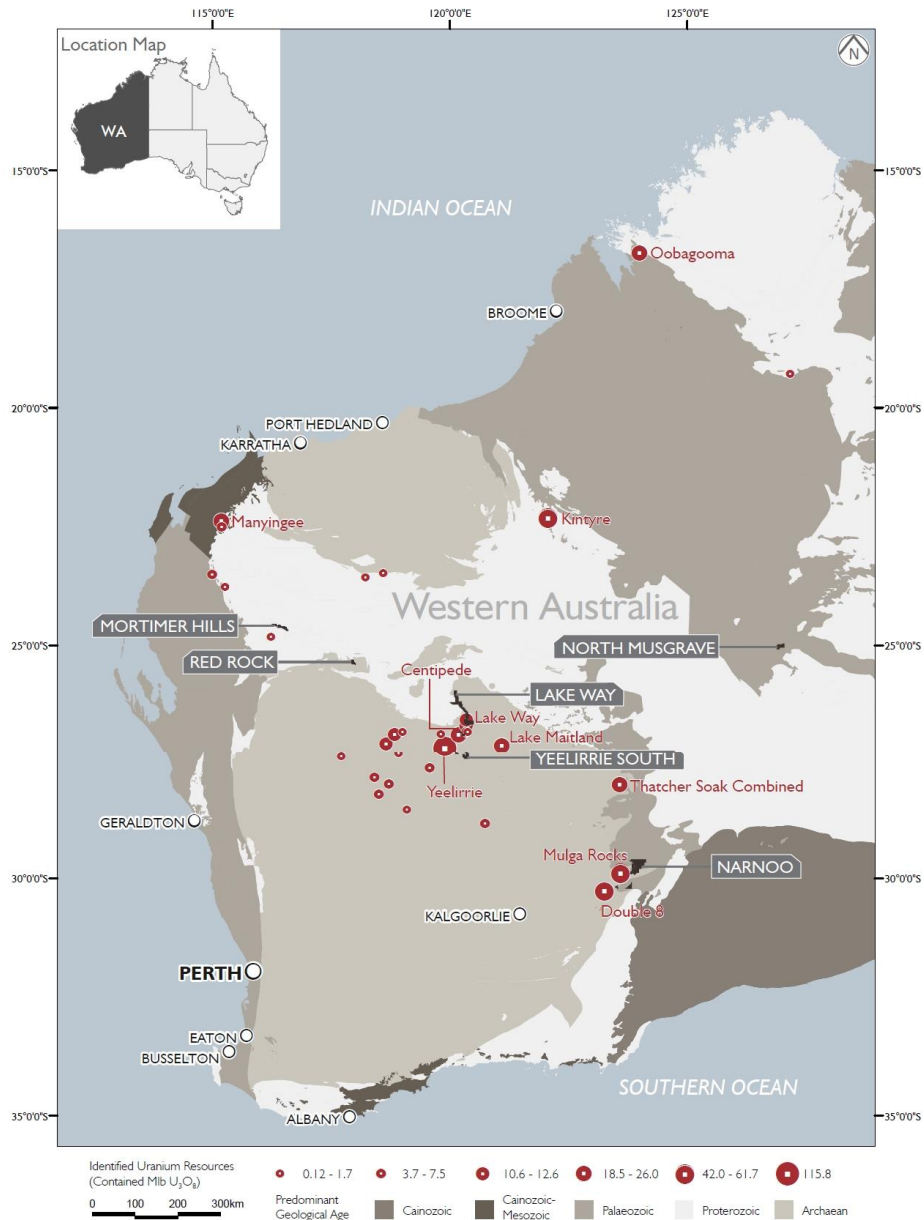
### **Corporate and Financial**

- Quarterly administrative expenditure within the budget.
- Half year review by William Buck completed, report released
- Keep studying and researching several exploration and mining projects.
- Board meeting held in March, discussed and confirmed the key works in 2015. A work plan has also been developed.

## Tenement Status

No changes to Zeus' granted tenement holding (Figure 1) during the reporting period. Current tenement details are listed in Table 1.

During the Quarter Zeus received the outstanding assessment from the W.A. Office of State Revenue in relation to pending tenement transfer applications (Table 1). These transfers are anticipated to be completed shortly.



**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 53/1602	Granted	Zeus Resources Ltd	Zeus Resources Ltd	
			E 53/1603	Granted	Zeus Resources Ltd	Zeus Resources Ltd	
		Lake Gregory Palaeochannel	E 53/1604	Granted	Zeus Resources Ltd	Zeus Resources Ltd	
			E 53/1600	Granted	Zeus Resources Ltd	Zeus Resources Ltd	
	Hinkler Well	Hinkler Well	E 53/1247	Granted	Sammy Resources Pty Ltd	Zeus Resources Ltd	Assessment received from OSR. Transfer to 100% Zeus in progress.
	Yeelirrie South	Yeelirrie South	E 36/733	Granted	Sammy Resources Pty Ltd	Zeus Resources Ltd	Assessment received from OSR. Transfer to 100% Zeus in progress.
			E 36/735	Granted	Sammy Resources Pty Ltd	Zeus Resources Ltd	Assessment received from OSR. Transfer to 100% Zeus in progress.
Narnoo	Narnoo	Narnoo North	E 39/1401	Granted	Zeus Resources Ltd	Zeus Resources Ltd	
			E 39/1683	Granted	Zeus Resources Ltd	Zeus Resources Ltd	
			E 39/1687	Granted	Zeus Resources Ltd	Zeus Resources Ltd	
			E 39/1689	Granted	Zeus Resources Ltd	Zeus Resources Ltd	
		Narnoo South	E 28/2096	Granted	Zeus Resources Ltd	Zeus Resources Ltd	
			E 28/2097	Granted	Zeus Resources Ltd	Zeus Resources Ltd	
Gascoyne	Mortimer Hills	-	E 09/1618	Granted	FEC II PTY LTD	Zeus Resources Ltd	Assessment received from OSR. Transfer to 100% Zeus in progress.
	Red Rock	-	E 52/2122	Granted	FEC II PTY LTD	Zeus Resources Ltd	Assessment received from OSR. Transfer to 100% Zeus in progress.
North Musgrave	North Musgrave	-	E 69/2362	Granted	Sammy Resources Pty Ltd	Zeus Resources Ltd	Assessment received from OSR. Transfer to 100% Zeus in progress.

**Table 1 - Zeus Resources Tenement Details.**

## **Exploration Program**

Exploration efforts during the Quarter have focussed primarily on review and analysis of Zeus' 2014 exploration drilling results in order to finalise exploration planning, permitting & approvals for follow-up drilling on the Narnoo and Wiluna Projects.

### **Wiluna Project**

A total of 27 aircore drillholes for a total of 1,685m targeting four separate palaeochannels were completed on Zeus' Wiluna Project during December 2014. Work during the Quarter has comprised analysis and interpretation of these exploration drilling results.

Whilst the majority of Tertiary palaeochannel sediments intersected were lacustrine clays, palaeochannel sandstones potentially suitable for In Situ Recovery (ISR) were developed within the Kukububba (Lake Way) and Yeelirrie South Palaeochannels.

Drilling confirmed the widespread occurrence of reduced sediments at depth within the palaeochannels and defined two regionally extensive target sand horizons. Previously acquired ground gravity data proved very effective in defining the main palaeovalley axes with target sand horizons restricted to the centre of the palaeovalleys.

Anomalous gamma associated with near-surface calcrete development was intersected within several drillholes, most notably on the Hinkler Well tenement. A prospective redox boundary was encountered within basal palaeochannel sandstones at Yeelirrie South with weak anomalism detected within this target horizon in four historic holes. Anomalous gamma was also intersected within palaeochannel sandstones within the Lake Way region.

A total of 111 samples were submitted to ALS laboratories for confirmatory assay with results received during the Quarter.

Assay results indicated near-surface calcretes generally contained <20ppm  $U_3O_8$  with a best intercept of 48.3ppm  $U_3O_8$  from ZLG001 (Lake Gregory). Comparison between deconvolved gamma log data and assays indicated a generally consistent secular disequilibrium profile with negative disequilibrium 0-5m depth and positive disequilibrium >5m depth. Strong surface anomalism on the east of Hinkler Well returned only minimal U assays (<5ppm  $U_3O_8$ ) indicating strong negative disequilibrium. Highest uranium grades occurred at the base of the massive calcrete profile where it transitions to earthy calcrete containing silcrete nodules.

Assay results from sandstone-hosted anomalism within ZLW005, located within the Kukububba Palaeochannel, returned elevated uranium values (2-4 times background values), however grades were low with a best intercept of 16.7ppm  $U_3O_8$ . Composite samples taken to assay for gold on Lake Way returned no significant results.

Drilling results have confirmed the validity of Zeus' exploration model and validated the effectiveness of ground gravity to define the palaeochannels. Zeus considers the results obtained from drilling, particularly the regionally extensive target sand horizons containing prospective redox boundaries and anomalous uranium, to be sufficiently prospective to warrant further drilling.

Drilling of ~30 drillholes for 2,000m is proposed for the Lake Way and Yeelirrie South Projects in Q3 2015. Zeus is currently finalising approvals and permitting prior to conducting heritage clearances.

Hole_ID	Tenement	GDA94_E	GDA94_N	Zone	Dip	Azi	RL	Hole Type	EOH	Depth to Basement	Anomalous Gamma	Comments
<b>Yeelirrie South Project</b>												
ZYS001	E36/733	241,542	6,964,803	51	-90	0	478.0	AC	94	94	N/A	Mid-Sequence Sand, fining upwards: 54-63m. Basal sands : fining upwards: 82-94m.
ZYS002	E36/733	237,564	6,966,232	51	-90	0	477.0	AC	95	88	N/A	Basal sands , fining upwards: 71-88m. Haematite oxidation at base of Tertiary.
ZYS003	E36/733	234,400	6,967,075	51	-90	0	477.0	AC	65	40	Surface calcrete.	Surface calcrete. Miocene clays overlying heavily weathered granite.
ZYS004	E36/733	237,633	6,973,009	51	-90	0	486.0	AC	76	57	N/A	Miocene clays overlying heavily weathered granite.
ZYS005	E36/733	234,219	6,977,923	51	-90	0	483.0	AC	84	56	N/A	Miocene clays overlying heavily weathered granite.
ZYS006	E36/733	232,793	6,977,790	51	-90	0	482.0	AC	70	57	N/A	Miocene clays overlying heavily weathered granite.
ZYS007	E36/735	215,749	6,972,520	51	-90	0	489.0	AC	65	61	N/A	Surface calcrete. Basal Channel Sands (Eocene?): 56-61m.
ZYS008	E36/735	217,400	6,972,557	51	-90	0	487.0	AC	66	62	N/A	Surface calcrete. Basal Channel Sands (Eocene?): 54-62m.
<b>Hinkler Well Project</b>												
ZHW001	E53/1247	227,207	7,025,297	51	-90	0	504.0	AC	80	78	Surface calcrete.	Basal Channel Sands (Eocene?): 73-78m.
ZHW002	E53/1247	228,004	7,024,886	51	-90	0	504.0	AC	74	73	N/A	Mid-Sequence Sand (Miocene?): 44-47m. Basal Channel Sands (Eocene?): 71-73m.
ZHW003	E53/1247	228,804	7,025,202	51	-90	0	503.0	AC	72	69.5	Surface calcrete.	Mid-Sequence Sand (Miocene?): 42-47m. Basal Channel Sands (Eocene?): 69-69.5m.
ZHW004	E53/1247	226,406	7,025,568	51	-90	0	506.0	AC	75	72	Surface calcrete.	Mid-Sequence Sand (Miocene?): 44-47m. Basal Channel Sands (Eocene?): 71-72m.
ZHW005	E53/1247	229,559	7,023,057	51	-90	0	508.0	AC	60	46	Surface calcrete.	Mid-Sequence Sand (Miocene?): 41-45m. No Basal Channel Sands due to shallower basement on channel margin.
ZHW006	E53/1247	232,197	7,026,097	51	-90	0	500.0	AC	28	28	Surface calcrete.	Hole targeting surface calcrete anomaly. Drilled to blade refusal.
ZHW007	E53/1247	232,200	7,026,306	51	-90	0	500.0	AC	29	27	Surface calcrete.	Hole targeting surface calcrete anomaly.
ZHW008	E53/1247	232,190	7,026,506	51	-90	0	501.0	AC	41	27	Surface calcrete.	Hole targeting surface calcrete anomaly. Drilled to blade refusal (in saprock)
ZHW009	E53/1247	232,193	7,026,700	51	-90	0	499.0	AC	29	26	Surface calcrete.	Hole targeting surface calcrete anomaly. Ferruginised saprolite at EOH.
<b>Lake Gregory Project</b>												
ZLG001	E53/1602	211,144	7,118,577	51	-90	0	569.0	AC	49	14	Surface calcrete.	Shallow basement, heavily weathered clay profile.
ZLG002	E53/1602	210,962	7,122,400	51	-90	0	567.0	AC	50	9	N/A	Shallow basement, heavily weathered clay profile.
ZLG003	E53/1602	210,019	7,125,614	51	-90	0	565.0	AC	68	38	N/A	Minor lacustrine clays (Miocene?) overlying heavily weathered saprolite.
<b>Lake Way Project</b>												
ZKB001	E53/1601	228,179	7,082,002	51	-90	0	557.0	AC	89	9	N/A	Shallow basement. Very heavily weathered to clay. Drilled to blade refusal.
ZKB002	E53/1601	228,862	7,083,522	51	-90	0	555.0	AC	32	6	N/A	Massive, fine-grained cream limestone overlying ferruginised saprolite.
ZLW001	E53/1603	234,446	7,049,463	51	-90	0	498.0	AC	32	6	N/A	Pyritic greenstone saprolite + vein quartz. Drilled to blade refusal.
ZLW002	E53/1603	235,762	7,049,256	51	-90	0	497.0	AC	51	3	N/A	Pyritic greenstone saprolite + vein quartz. Drilled to blade refusal.
ZLW003	E53/1603	236,207	7,049,198	51	-90	0	498.0	AC	65	33	N/A	Thin Miocene clays overlying weathered basement saprolite.
ZLW004	E53/1603	236,655	7,049,264	51	-90	0	500.0	AC	52	38	N/A	Thin Miocene clays overlying weathered basement saprolite.
ZLW005	E53/1603	237,611	7,049,479	51	-90	0	500.0	AC	94	92	Anomalous gamma 45-60m. Max. peak @ 51m	Intersected main palaeochannel. Mid-Sequence Sands (Miocene?): 48-52m, Basal Channel Sands (Eocene?): 83-92m. Anomalous gamma associated with Mid-Sequence Sands.

**Table 2. Zeus Resources Ltd, Wiluna Region drillhole details.**

### **Narnoo Project**

Work during the quarter comprised planning and review of data for follow-up drilling to be conducted in Q2.

A detailed drill plan has been approved and proposes the drilling of approximately twenty aircore drillholes for an estimated 2,000m targeting palaeochannel sandstones. Zeus is currently finalising logistical and contractual arrangements prior to commencing exploration drilling in Q2 2015.

### **Gascoyne Project**

Work during the quarter comprised planning and review of data in preparation for upcoming field work to be conducted in Q2 2015.

### **North Musgrave Project**

Work during the quarter comprised ongoing negotiations with native title holders to facilitate access for a proposed drilling program later in the year.

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#### **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	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>All drill holes were downhole gamma logged by BoreHole Geophysical Services (BHGS) utilising a calibrated 33mm Auslogger natural gamma probe.</li> <li>Logging was conducted through the drill rods and wherever possible in the open hole.</li> <li>Downhole gamma data was collected at 1cm using a logging speed of 2m per minute.</li> <li>Downhole gamma results have not been reported and were used to select intervals for conventional geochemical assays.</li> <li>Sample intervals for conventional geochemical assay at 1m intervals were selected on the basis of downhole gamma logging results.</li> </ul>
	<ul style="list-style-type: none"> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> </ul>	<ul style="list-style-type: none"> <li>Bore-Hole Geophysical Services (BHGS) provided a calibrated 33mm Auslogger natural gamma probe.</li> <li>Probe calibration was conducted at the AMDEL test pits in Adelaide in June 2014.</li> <li>Calibration data has provided to Zeus by BHGS.</li> </ul>
	<ul style="list-style-type: none"> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>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).</li> </ul>	<ul style="list-style-type: none"> <li>Drilling was conducted using a Challenger R/A 150 aircore drilling rig supplied by Challenge Drilling.</li> <li>Vertical holes were drilled through Tertiary palaeochannel sediments until crystalline basement was intersected.</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> </ul>	<ul style="list-style-type: none"> <li>All drill cuttings were collected at 1m intervals from the drill-rig cyclone in sample bags (amounting to 20-30kg of sample per metre).</li> </ul>
	<ul style="list-style-type: none"> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> </ul>	<ul style="list-style-type: none"> <li>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).</li> </ul>
	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Sample loss does not affect qualitative downhole gamma logging data of sediments in situ.</li> <li>All drill cuttings were collected and bagged for each 1m sample interval.</li> </ul>



Logging	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>All aircore cuttings were geologically logged in detail at 1m intervals.</li> <li>Assay intervals were selected on the basis of downhole gamma logging results.</li> <li>Cuttings samples were then checked on site using a hand held RS-125 Super Spectrometer.</li> <li>Radiometrically anomalous sample intervals were submitted for assay.</li> </ul>
	<ul style="list-style-type: none"> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> </ul>	<ul style="list-style-type: none"> <li>Representative qualitative cuttings samples were collected in chip trays with a reference photography being taken to record colour and redox state.</li> </ul>
	<ul style="list-style-type: none"> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>All aircore cuttings were geologically logged in detail and the entire drillhole was downhole gamma logged within the drill rods.</li> <li>Wherever possible, logging was also conducted, in the open hole using downhole gamma, conductivity and density.</li> </ul>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>
	<ul style="list-style-type: none"> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> </ul>	<ul style="list-style-type: none"> <li>Samples were collected by spearing of wet and dry samples. Tertiary sediments were generally dry but unconsolidated sand intervals tended to contain water.</li> </ul>
	<ul style="list-style-type: none"> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>
	<ul style="list-style-type: none"> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>
	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Samples were collected from bags by multiple spearings from different angles within the sample bags.</li> </ul>
	<ul style="list-style-type: none"> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>Sample sizes are appropriate for the grain size of the material.</li> </ul>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> </ul>	<ul style="list-style-type: none"> <li>111 samples, including Zeus standards and field duplicates, were submitted to ALS Laboratory in Kalgoorlie for standard multi-element assay.</li> <li>Samples were crushed and pulverised before assaying for 61 elements including Uranium.</li> <li>Assay techniques comprised :             <ul style="list-style-type: none"> <li>Assay Code ME-MS61u - Four-acid digest including Hydrofluoric, Nitric, Perchloric and Hydrochloric acids in Teflon Tubes. Analysed by Inductively</li> </ul> </li> </ul>



		<p>Coupled Plasma Mass Spectrometry (ICP-MS)</p> <ul style="list-style-type: none"> <li>○ <u>Assay Code Au-OG43</u> – 25g nominal sample weight assayed for Au by aqua regia extraction with standard multi-element analysis (as per ME-MS61u) ICP-MS finish.</li> <li>• Appropriate QA/QC procedures including the use of sample blanks, repeats and standards were applied by the laboratory.</li> </ul>
	<ul style="list-style-type: none"> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Cuttings sample radiometrics were individually analysed using hand held self-calibrating RS-125 Spectrometer containing a 6.3 cubic inch Sodium Iodide (NaI) crystal.</li> <li>• Downhole logging was conducted using an AusLogger 33mm slimline gamma probe.</li> <li>• Gamma probe response is checked daily using a Thorium-232 reference source.</li> <li>• Probe calibration was conducted at the AMDEL test pits in Adelaide in June 2014.</li> <li>• Calibration data has provided to Zeus by BHGS.</li> <li>• Calibration factors were not applied as qualitative downhole gamma logs were used to select intervals for conventional geochemical assay.</li> </ul>
	<ul style="list-style-type: none"> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Selected sample intervals were submitted to ALS analytical laboratory in Kalgoorlie for conventional assay.</li> <li>• Reference standards and blank samples were inserted at 1 in 20 ratio.</li> <li>• An additional 5% of Samples were check assayed by the laboratory with laboratory blanks and standards each inserted at 1 in 20 ratio.</li> </ul>
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> <li>• <i>The verification of significant intersections by either independent or alternative company personnel.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Drilling encountered no significant intersections.</li> </ul>
	<ul style="list-style-type: none"> <li>• <i>The use of twinned holes.</i></li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
	<ul style="list-style-type: none"> <li>• <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> </ul>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Assay data has been verified by senior Zeus personnel.</li> <li>• Zeus' database and server is backed up regularly.</li> </ul>
	<ul style="list-style-type: none"> <li>• <i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Assay data have been reported in oxide (U<sub>3</sub>O<sub>8</sub>) form. No adjustments have been made to assay results.</li> </ul>
<i>Location of data points</i>	<ul style="list-style-type: none"> <li>• <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other</i></li> </ul>	<ul style="list-style-type: none"> <li>• Sample locations were recorded using handheld GPS.</li> <li>• Elevations is derived from a digital elevation model covering the tenement area.</li> </ul>

	<i>locations used in Mineral Resource estimation.</i>	<ul style="list-style-type: none"> <li>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.</li> </ul>
	<ul style="list-style-type: none"> <li>Specification of the grid system used.</li> </ul>	<ul style="list-style-type: none"> <li>The grid system used is GDA94, Zone 51.</li> </ul>
	<ul style="list-style-type: none"> <li><i>Quality and adequacy of topographic control.</i></li> </ul>	<ul style="list-style-type: none"> <li>The primary topographic control is from the Digital Elevation Mode which is sufficient given the generally flat-lying nature of the landscape.</li> </ul>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li><i>Data spacing for reporting of Exploration Results.</i></li> </ul>	<ul style="list-style-type: none"> <li>Drillhole spacing is currently at a 1 to several km spacing. Drillhole traverses were oriented along existing tracks orthogonal to interpreted palaeochannels.</li> <li>Close-spaced calcrete drillholes on E53/1247 were drilled at a 200m spacing across a surface radiometric anomaly associated with outcropping calcrete.</li> </ul>
	<ul style="list-style-type: none"> <li><i>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</i></li> </ul>	<ul style="list-style-type: none"> <li>Data spacing is not yet sufficient to establish any degree of geological and grade continuity.</li> </ul>
	<ul style="list-style-type: none"> <li><i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>Within Tertiary sediments no sample compositing was applied with assay samples taken at 1m intervals.</li> <li>Basement samples with potential to contain gold mineralisation were composited. Eight 3m composite samples were submitted for E53/1603.</li> </ul>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <li><i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> </ul>	<ul style="list-style-type: none"> <li>Drillholes were oriented vertically. Drillhole traverses were oriented along existing access tracks orthogonal to interpreted palaeochannel orientation.</li> </ul>
	<ul style="list-style-type: none"> <li><i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>Drillholes were not surveyed using a downhole orientation tool and cannot be incorporated in any future ore reserve calculations.</li> <li>No sampling bias is evident in the orientation of the drill holes.</li> </ul>

## 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	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Zeus Resources holds 11 granted exploration tenements within the Wiluna and Narnoo Regions.</li> <li>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.</li> <li>Tenement details and status are outlined in Table 1.</li> <li>Drilling was conducted on the E36/733, E36/735, E51/1247, E53/1601, E53/1602 and , E53/1603 tenements which are 100% owned by Zeus Resources Ltd.</li> </ul>
	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>All tenements are in currently in good standing and no impediments to operating are currently known to exist.</li> </ul>
Exploration done by other parties	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>Exploration efforts have been conducted following review of publically available historical exploration data from the WA Department of Mines &amp; Petroleum "WAMEX" dataset.</li> <li>Shallow drilling for surficial calcrete-hosted uranium mineralisation has been conducted sporadically by several companies over Zeus' tenement holding.</li> <li>Tertiary palaeochannel sediments have previously been reported in waterbore records but the majority of waterbores targeted shallow aquifers.</li> <li>Historical drilling focused almost exclusively on shallow calcrete-hosted uranium mineralisation with &gt;90% of historical drillholes &lt;20m in depth.</li> </ul>
Geology	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<p>Potential deposit types/mineralisation styles at the Narnoo Projects include:</p> <ul style="list-style-type: none"> <li>Calcrete- and sandstone-hosted uranium mineralisation within Tertiary Palaeochannels systems.</li> <li>The primary exploration target comprises sandstone-hosted peneconcordant uranium mineralisation developed at the base of the Tertiary palaeochannels.</li> </ul>

<i>Drill hole Information</i>	<ul style="list-style-type: none"> <li>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: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>All drillholes are reported within the drillhole details Table.</li> </ul>
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Due to low uranium grades (&lt;100ppm U<sub>3</sub>O<sub>8</sub>), only best intercepts have been reported.</li> </ul>
	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>
	<ul style="list-style-type: none"> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>Assay data have been reported in oxide (U<sub>3</sub>O<sub>8</sub>) form.</li> <li>Metal equivalent values derived from downhole data have been reported.</li> </ul>
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>Current assay results are not sufficient to determine any relationship between widths and intercept lengths.</li> </ul>
	<ul style="list-style-type: none"> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> </ul>	<ul style="list-style-type: none"> <li>Current indications of anomalous gamma intercepts are not sufficient to draw any conclusions about their geometry.</li> </ul>
	<ul style="list-style-type: none"> <li>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').</li> </ul>	<ul style="list-style-type: none"> <li>Only downhole lengths are reported. These lengths are appropriate given the vertical orientation of the drillholes and the flat-lying nature of the Tertiary sediments.</li> </ul>
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>Appropriate maps and sections</li> </ul>	<ul style="list-style-type: none"> <li>Refer to drillhole location maps.</li> </ul>

	<i>(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.</i>	
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Due to low uranium grades (&lt;100ppm U<sub>3</sub>O<sub>8</sub>), only best intercepts have been reported.</li> </ul>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Geological observations and geophysical survey results have been accurately reported.</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> </ul>	<ul style="list-style-type: none"> <li>Planned further work comprises further data review and exploration drilling.</li> </ul>
	<ul style="list-style-type: none"> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>Refer to drillhole location maps for current drilling areas.</li> <li>Potential future drilling areas have not been included due to commercial sensitivity.</li> </ul>