

## **QUARTERLY ACTIVITIES REPORT**

### **For the period ending 31 December 2015**

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

#### **Highlights**

- Aboriginal heritage clearance conducted at Wiluna tenements
- Program of Works on Narnoo project has been submitted to the DMP for review and approval
- 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 board meeting and AGM had been held successfully in November 2015
- In order to reduce daily expenses, the Board has taken a pay cut measures, and directors fees and employee salaries decreased by 30-40%

#### **Tenement Status**

No changes to Zeus' granted tenement holding during the Quarter. Tenements are shown in Figure 1 and detailed in Table 1.

## Exploration Project Locations

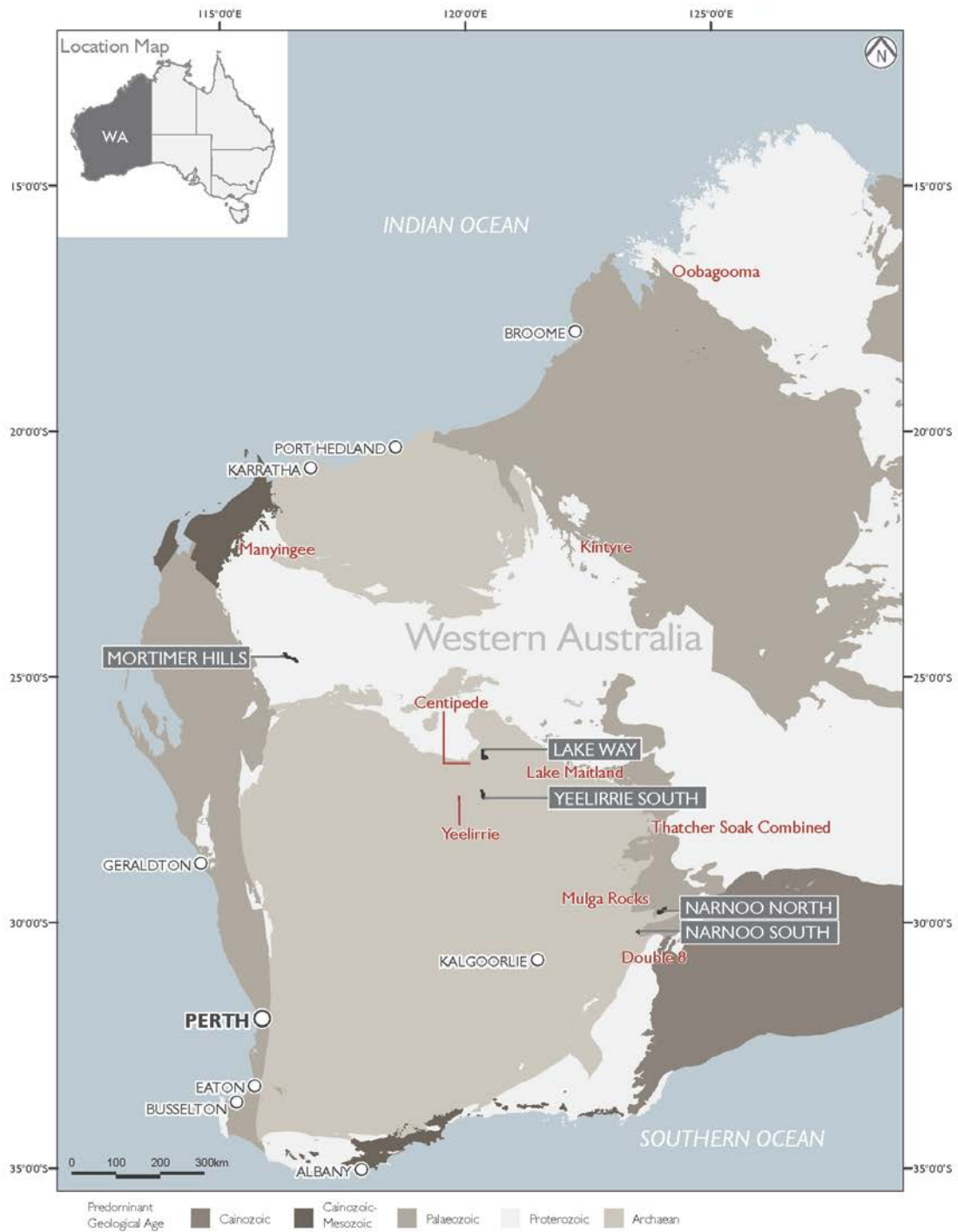


Figure 1. Zeus Resources Tenement Location Map.

Region	Project	Tenement	Status	Holder	Operator	Comments
Wiluna	Lake Way	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	E 36/733	Granted	Zeus Resources Ltd	Zeus Resources Ltd	
Narnoo	Narnoo North	E 39/1683	Granted	Zeus Resources Ltd	Zeus Resources Ltd	
	Narnoo South	E 28/2097	Granted	Zeus Resources Ltd	Zeus Resources Ltd	
Gascoyne	Mortimer Hills	E 09/1618	Granted	Zeus Resources Ltd	Zeus Resources Ltd	
		E 09/2147	Application	Zeus Resources Ltd	Zeus Resources Ltd	Application in progress.
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, planning of follow up exploration programs and conduct of aboriginal heritage clearances.

#### ***1. Wiluna Project***

Zeus' proposed Program of Works (PoW) detailing proposed follow up drilling on the Lake Way and Yeelirrie South Projects was approved by the Department of Mines & Petroleum (DMP) in the previous Quarter.

During the Quarter, Zeus conducted an aboriginal heritage clearance on its' Wiluna tenements with a total of 26 locations cleared for Zeus' follow-up drilling program proposed for 2016.

#### ***2. Narnoo Project***

Exploration efforts during the quarter have focussed on review of available drill data to facilitate planning of exploration drilling in 2016.

A proposed Program of Works has been submitted to the DMP for review and approval prior to drilling commencement in 2016.

Planned work is likely to involve a preliminary drilling program to confirm uranium grade and thicknesses at Narnoo South prior to completing a drill-out to define the mineralised area (s) within the Driller's Palaeochannel. Additional potential exists for a lignite resource within the palaeochannel and will also be tested by planned drilling.

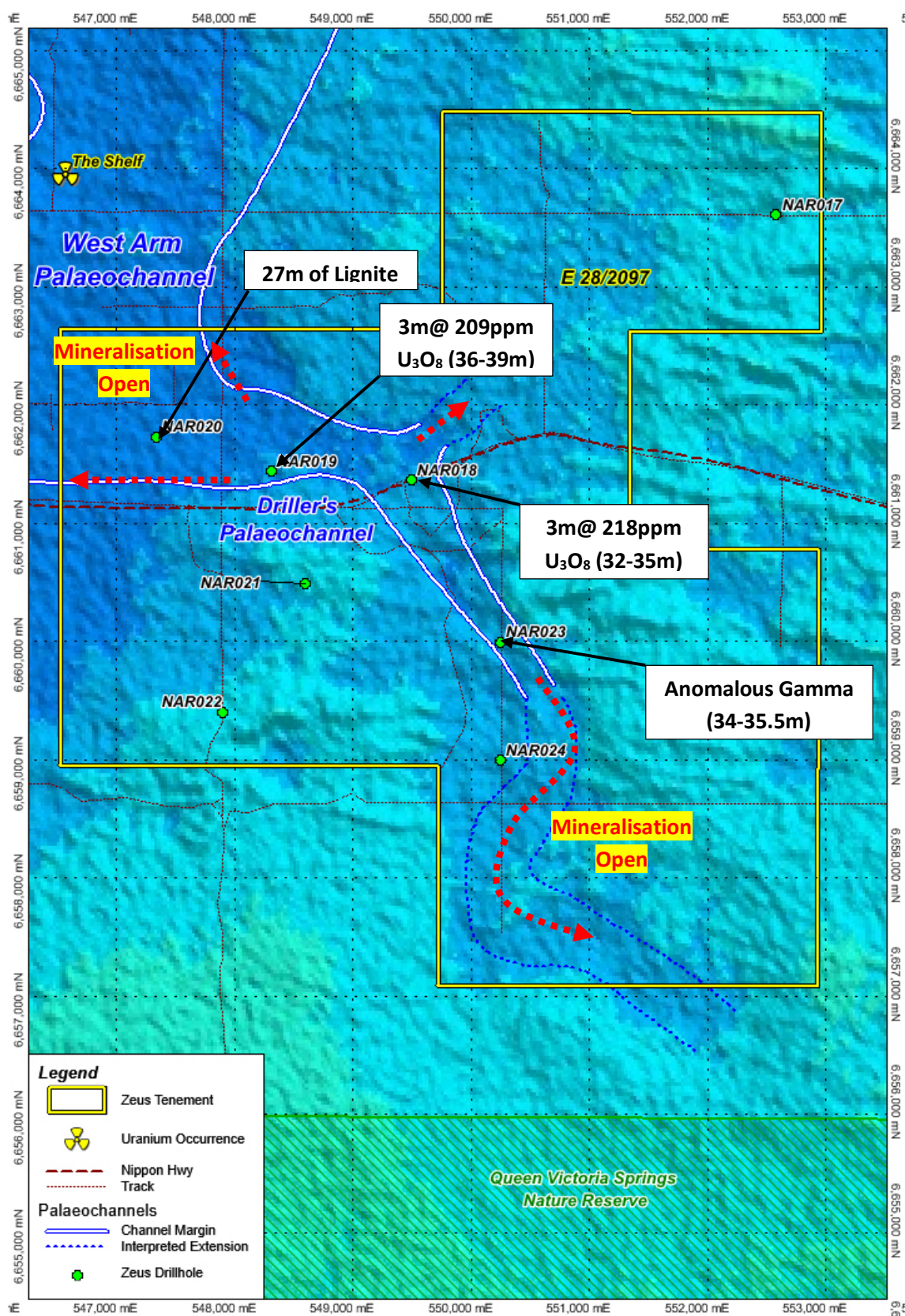


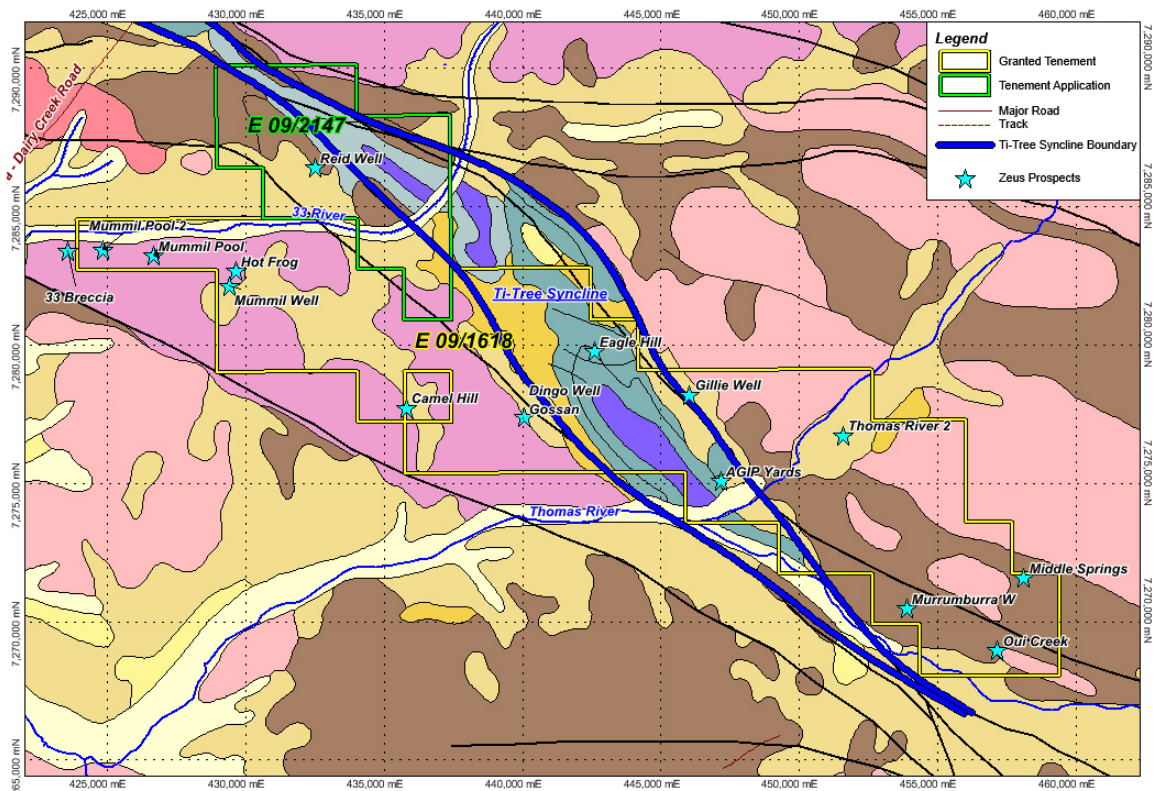
Figure 2. E28/2097 SRTM image showing Zeus drillholes and interpreted palaeochannels.



### 3. Gascoyne Project

Work during the quarter comprised ongoing review, data capture 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 (Figure 3) is planned for Q2 2016 in order to facilitate exploration drilling of these targets.

Zeus' new tenement application (E09/2147) covering outcropping base metal mineralisation at the Reid Well prospect, has continued to progress.



**Figure 3. Gascoyne Project tenement map showing regional geology and prospect locations.**

#### **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.