



ZEUS RESOURCES LIMITED



Interim Report For the half-year Ended 31 December 2023

The information contained in this report is to be read in conjunction with Zeus Resources Limited's 2023 Annual Report and announcements released to the market during the half-year period ended 31 December 2023

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CORPORATE DIRECTORY

Directors

Mr Ding Xu – Non-Executive Chairperson

Mr Sitong Wu – Executive Director and Acting CEO

Mr Colin Mackay- Non-Executive Director (resigned 7 July 2023)

Mr Yicheng Zhang - Non-Executive Director

Mr Jian Liu – Executive Director and General Manager Geology and Exploration

Company Secretary

Mr Jian Liu

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DIRECTORS' REPORT

The Directors present their report together with the financial statements of the Company for the financial half-year period ended 31st December 2023.

Directors

The Directors in office during the half-year and as at the date of this report are:

Mr Ding Xu – Chairperson

Mr Sitong Wu – Executive Director and Acting CEO

Mr Yicheng Zhang - Non-Executive Director

Mr Jian Liu – Executive Director and General Manager Geology and Exploration

Mr Colin Mackay- Non-Executive Director (resigned 7 July 2023)

Directors have been in office since the start of the financial year (1 July 2023) to date of this report unless otherwise stated.

Highlights:

- Phase 2 drilling program of 11 holes for a total of 1,260m at the Alpha and Creek prospects at Mortimer Hills Project in WA.
- The Company completed a reconnaissance soil sampling program at its Blue Hill Project (E59/2804), approximately 60 km north of Paynes Find in WA.
- Two tenement applications (E59/2853 and E59/2854) at the Wydgee Project, approximately 60 km north of Paynes Find in WA have been granted.
- The Company's geologists visited tenement E59/2854 north of the Wydgee beryl deposit and visited Mortimer Hills Project during December 2023.
- The tenement application ERA1265 covering approximately 148 km² at Kalabity in the Olary region of South Australia has been accepted by the South Australian Dept for Energy and Mining in February 2024.
- The Company has applied for three Exploration Licences; E45/6749 (south of Indee)- submitted on 13 November 2023, E45/6823 and E45/6829 (south of Strelley) - submitted on 13 December 2023) south of Port Hedland in the highly prospective Pilbara region (Hamersley Range map).
- The Company entered into an exclusivity agreement in January 2024 to conduct due diligence on a REE Project in NT.



DIRECTORS' REPORT

Corporate and Financial

- On 15 November 2023, the Company held the AGM in Sydney and all resolutions have been carried.
- Half yearly administrative and other operational expenditures are within the budget.
- The Company's statement of cash flows for the half year are detailed in the Financial Reports commencing on page 32. As at the end of the half year ended 31 December 2023, the Company had \$1,767,026 cash and no debts other than normal operating liabilities.
- During the period \$121,720 was paid to related parties and their associates. The payments related to Executive Director's salary, Director, and Company secretarial fees.
- The Company confirms it is not aware of any new information or data that materially affects the information included in the original market announcements previously lodged with ASX.
- Exploration Expenditure for the period tabled below:

Applications and review of potential exploration targets:	\$56,854
Tenement E53/1603 Wiluna project:	\$31,739
Tenement E09/2147 Mortimer Hills project:	\$250,911
Tenement E59/2853 Wydgee project:	\$8,157
Tenement E59/2853 Wydgee project:	\$14,894
Total Expenditure:	\$362,555
- There were no substantive mining production and development activities during the December 2023 half year.
- No farm-in or farm-out agreements have been entered into during the December 2023 half year.

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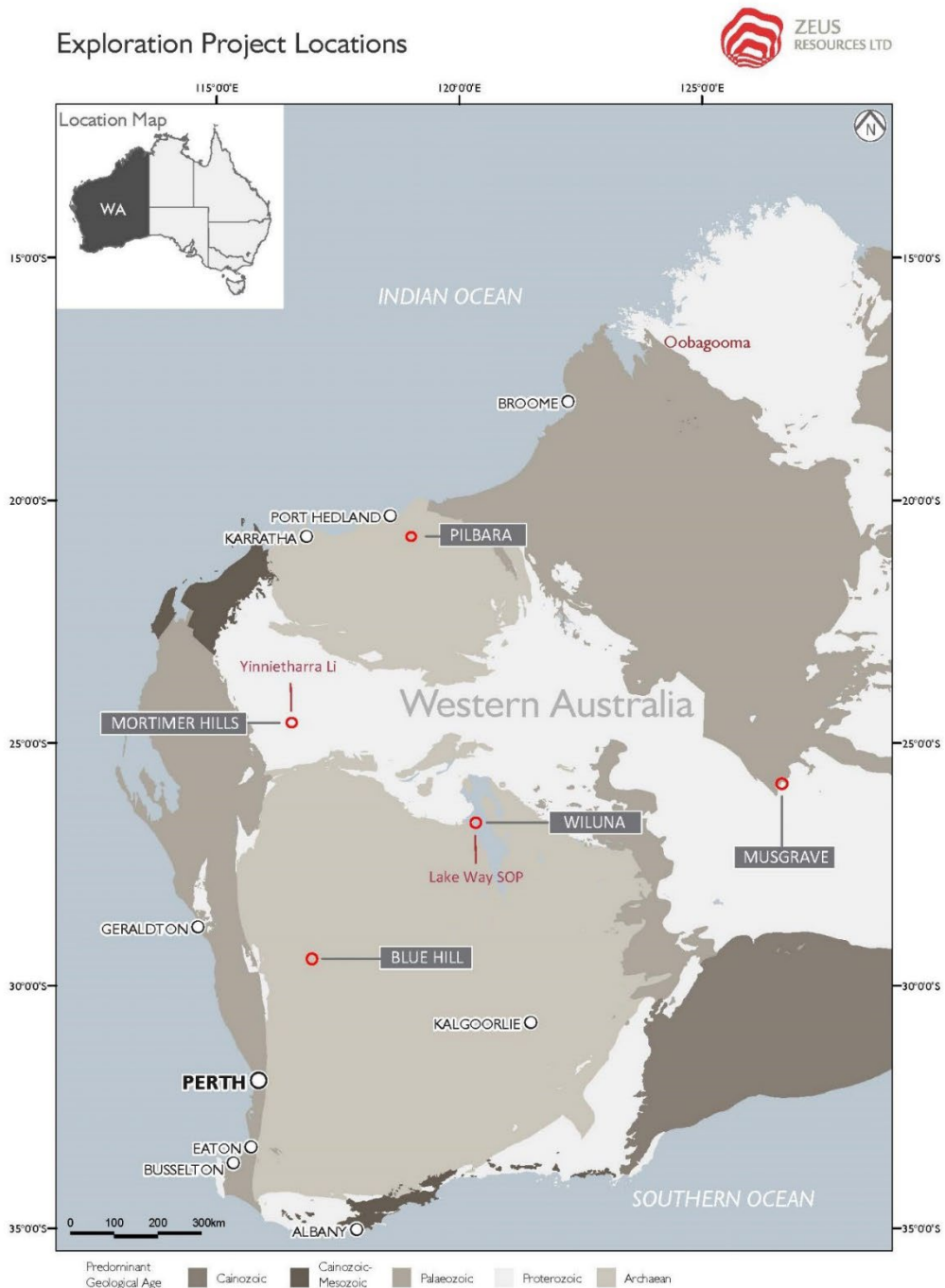


DIRECTORS' REPORT

Tenement Status

The company currently holds nineteen tenements and applications. These tenements include four granted tenements, one at Mortimer Hills, one at Wiluna and two at Wydgee. Zeus' application ERA1265 in SA has now been accepted and is being processed as ELA2024-00007 by the South Australian Dept for Energy and Mining. There are fourteen applications for new tenements, including seven adding to the Mortimer Hills Project, one adding to the Wiluna Project, one adding to the Blue Hill Project, two adding to the Musgrave Project, three adding to the Pilbara. Seven of the tenement applications at Mortimer Hills (E09/2791, E09/2798, E09/2865, E09/2874, E09/2886, E09/2891 and E09/4148) and three at Pilbara (E45/6749, E45/6823 and E45/6829) are subject to ballots. All Zeus' tenement locations are shown in Figure 1, Figure 2 and detailed in Table 1.

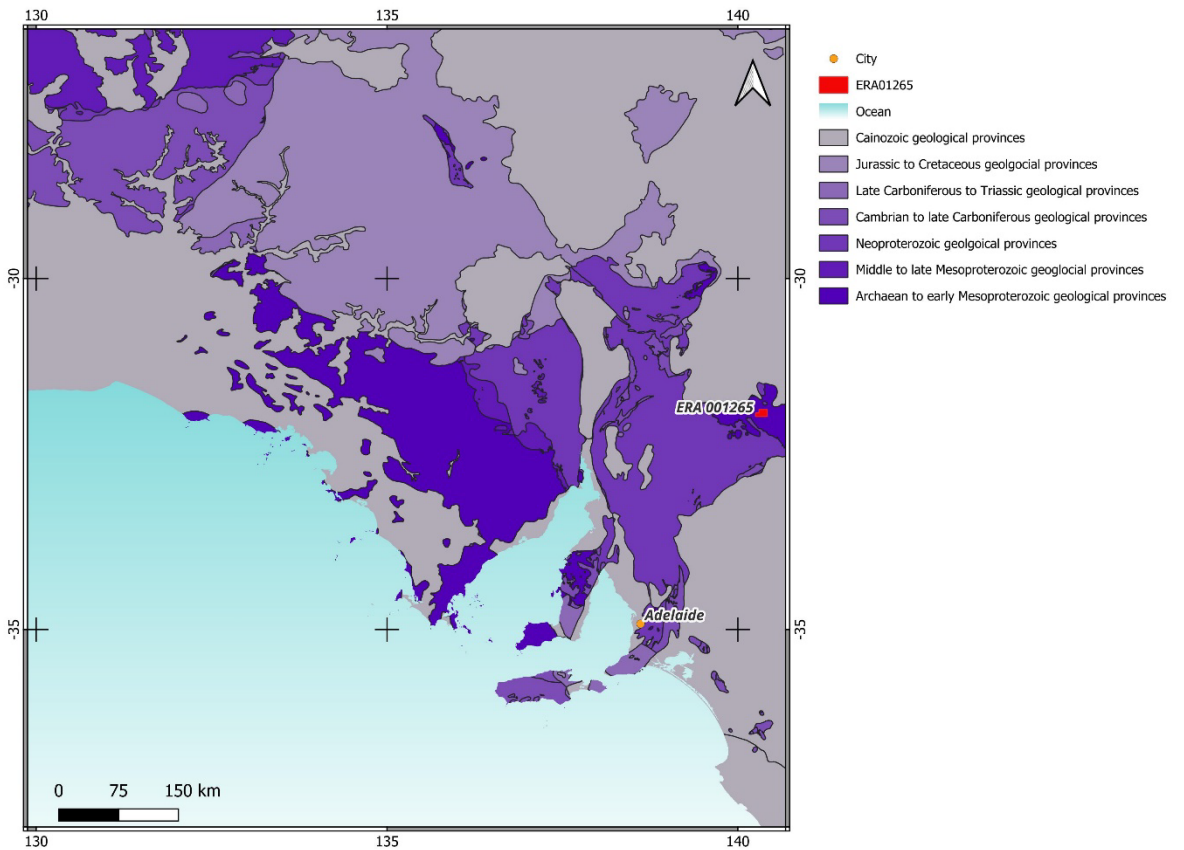
Figure 1: Zeus WA Tenement Location Map



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Figure 2: Zeus SA Tenement Location Map



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DIRECTORS' REPORT

Tenement Details of Zeus Resources Limited							
State	Project		Tenement	Holder	Status	Interest (%)	Notes
WA	Mortimer Hills	1	E09/2147	ZEUS RESOURCES LIMITED	Granted	100	
		2	E09/2791	ZEUS RESOURCES LIMITED	Application		Application lodged 27/02/2023 Subject to ballot
		3	E09/2798	ZEUS RESOURCES LIMITED	Application		Application lodged 27/02/2023 Subject to ballot
		4	E09/2865	ZEUS RESOURCES LIMITED	Application		Application lodged 18/06/2023 Subject to ballot
		5	E09/2874	ZEUS RESOURCES LIMITED	Application		Application lodged 18/06/2023 Subject to ballot
		6	E09/2886	ZEUS RESOURCES LIMITED	Application		Application lodged 18/06/2023 Subject to ballot
		7	E09/2891	ZEUS RESOURCES LIMITED	Application		Application lodged 18/06/2023 Subject to ballot
		8	E09/2880	ZEUS RESOURCES LIMITED	Application		Application lodged 18/06/2023 Subject to ballot
WA	Wiluna	9	E 53/1603	ZEUS RESOURCES LIMITED	Granted	100	
		10	E53/2197	ZEUS RESOURCES LIMITED	Application		Application lodged 27/10/2021
WA	Blue Hill	11	E59/2804	ZEUS RESOURCES LIMITED	Application		Application lodged 20/03/2023
WA	Wydgee	12	E 59/2853	ZEUS RESOURCES LIMITED	Granted	100	
		13	E 59/2854	ZEUS RESOURCES LIMITED	Granted	100	
WA	Musgrave	14	E69/4147	ZEUS RESOURCES LIMITED	Application		Application lodged 03/04/2023
		15	E69/4148	ZEUS RESOURCES LIMITED	Application		Application lodged 03/04/2023
WA	Pilbara	16	E45/6749	ZEUS RESOURCES LIMITED	Application		Application lodged 13/11/2023 Subject to ballot
		17	E45/6823	ZEUS RESOURCES LIMITED	Application		Application lodged 13/12/2023 Subject to ballot
		18	E45/6829	ZEUS RESOURCES LIMITED	Application		Application lodged 13/12/2023 Subject to ballot
SA	Kalabarity	19	ELA2024-00007	ZEUS RESOURCES LIMITED	Accepted		Application accepted 01/02/2024

Table 1. Zeus Resources Tenement Details

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DIRECTORS' REPORT

EXPLORATION PROGRAM

During the half year, the Company carried out Phase 2 drilling program of 11 holes for a total of 1,260m at the Alpha and Creek prospects at Mortimer Hills Project in WA, and continued field mapping and soil geochemical surveys at Mortimer Hills along with completing a reconnaissance soil sampling program at Blue Hill and another soil sampling program at Wydgee.

No other fieldwork was completed during the period on the other tenements managed by Zeus Resources Ltd. The Board continues reviewing all the Company's projects and updating exploration plans accordingly.

Kalabity Uranium, REE and Lithium Project

As announced on 3 January 2024, after the Company's geologists visited South Australia's Kalabity area in November 2023, an application was submitted for ERA1265 which has potential for uranium, REE and lithium mineralisation. The merits of the Company's application was considered along with other applicants for the same tenement and Zeus' application has now been accepted and is being processed as ELA2024-00007 by the South Australian Dept for Energy and Mining.

The Kalabity tenement is located approximately 40 km north of Olary and approximately 430 km north-east by road from Adelaide (Figure 3), adjacent to Sinosteel Uranium Pty Ltd's tenements that includes the Crocker Well Uranium Project.

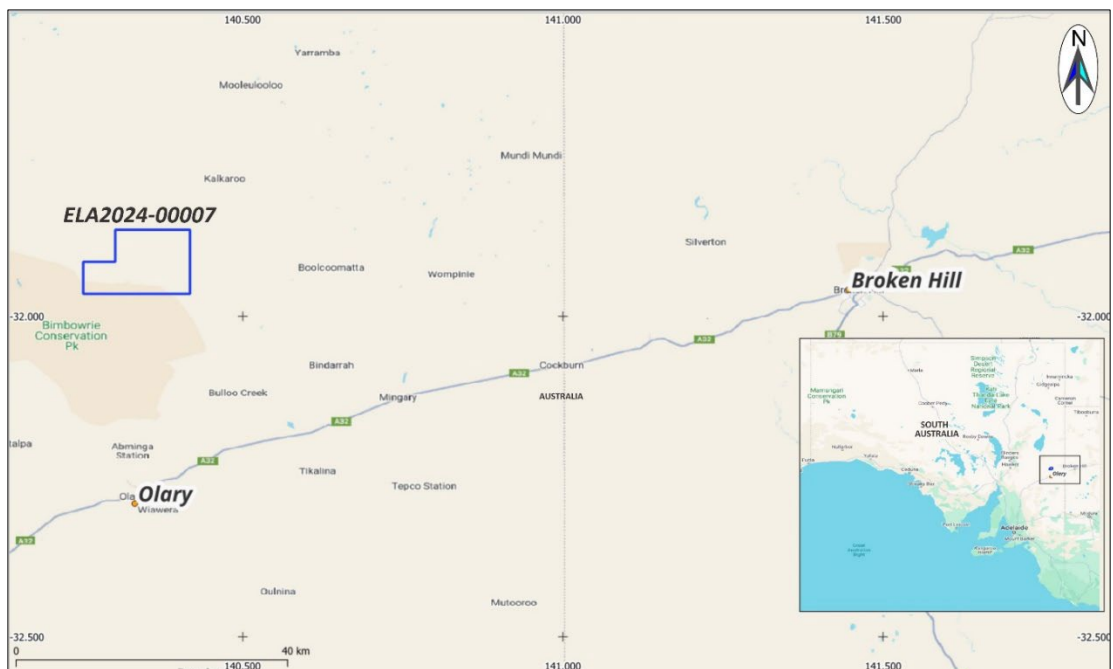


Figure 3: Location ELA2024-00007.



DIRECTORS' REPORT

Geology

The Kalabity tenement application lies almost entirely within the Olary Domain: Outalpa Subdomain of the Curnamona Geological Province, (Figure 4).

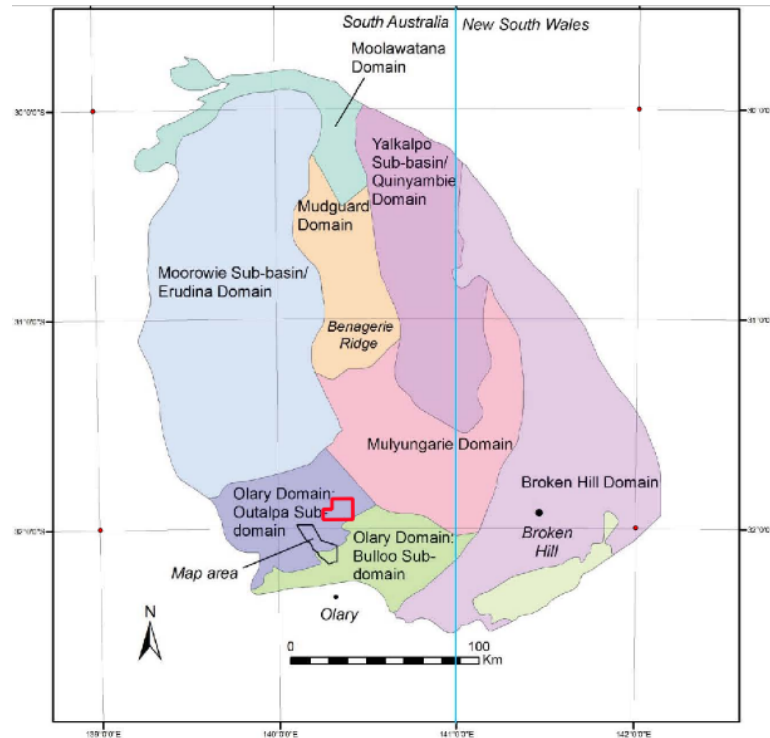


Figure 4: Tectono-sedimentary subdivisions of the Curnamona Province.

The Curnamona Group is the lower part of the Willyama Supergroup in the Olary Domain and is characterised by metasediments interbedded with volcanic rocks. Unconformably overlying the Curnamona Group is the Palaeoproterozoic Saltbush Group then the Strathearn Group composed of schistose to gneissic volcanogenic and iron-rich metasediments.

During peak Olarian metamorphism, parts of the Willyama Supergroup were subject to partial melting. Granites were formed in-situ and then intruded only a short distance from their source. Such granitic melts crystallised to medium to coarse grain size, grading to coarse-grained pegmatite. Larger pegmatite bodies not associated with in situ melts are also widespread where they form sharply defined dykes and sills. Such cross-cutting pegmatites originated by partial melting at deeper crustal levels and migrated up into lower-grade metasediments where they intruded and crystallised. These latter pegmatites are one of the main focuses of the planned Lithium and REE exploration by the Company. Pegmatites that will be investigated by the Company as top priority are shown as red dykes within the ELA on the 1952 Kalabity 1:63,360 scale geology map, Figure 5.



DIRECTORS' REPORT

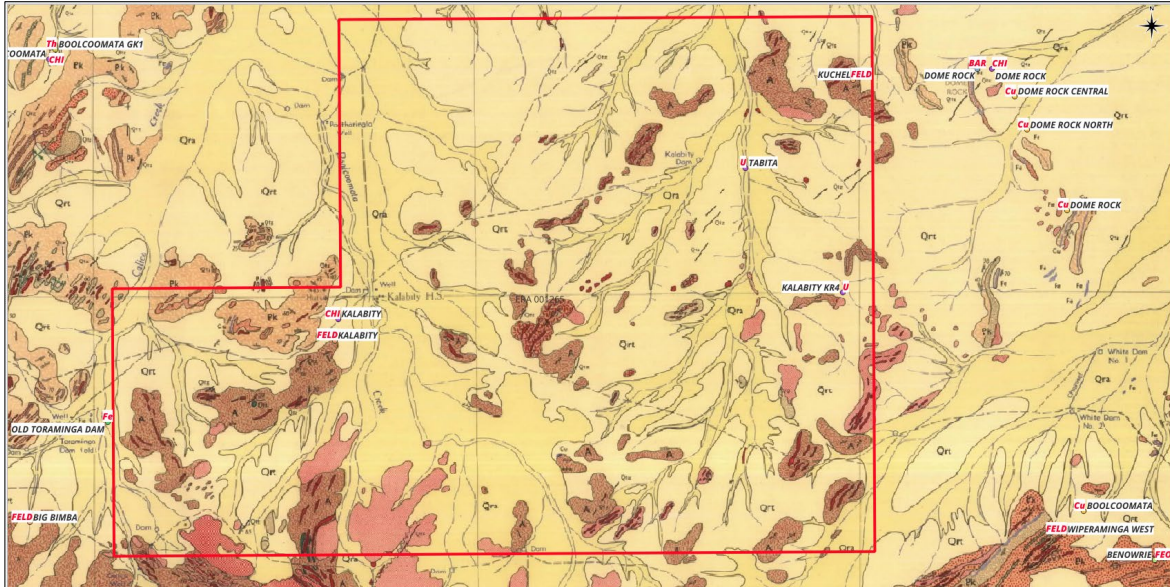


Figure 5: Local geology ELA2024-00007 (Kalability 1:63,360 – 1952 Edition) pegmatites = red dykes

Planned Exploration

Based on the geology of the region and tenement, potential exploration targets at Kalability include:

- Pegmatite/granite hosted uranium, REE and lithium mineralisation.
- Uranium and REE mineralisation in calcrete and clays in Recent soils and sediments.
- Iron Oxide hosted Copper-gold (Fe-Ox Cu-Au) mineralisation similar to deposits in the Mt. Isa Inlier and Gawler Craton. These occur as both stratabound replacements of iron rich beds or as structurally focused iron rich alteration/breccia systems in the contact aureoles of certain granites.
- Large disseminated/stratabound copper and/or gold deposits.
- Broken Hill type Ag-Pb-Zn deposits.
- Stratabound/sediment-hosted base metal mineralisation within the metal rich Bimba Unit.

Zeus will of course consider all these potential targets but will initially examine the uranium, REE and lithium potential of the as yet ignored pegmatites known to outcrop on the tenement (Figure 5). First priority will be mapping and sampling all these outcropping pegmatites.

Previous explorers over the tenement carried out extensive geochemical surveys testing mainly for calcrete hosted uranium derived from the nearby granites. According to South Australian Resources Information Gateway (SARIG) files containing historic exploration reports compiled by previous explorers on the tenement, soil and calcrete sampling was initially on a 500 m x 500 m grid, then in-filled over anomalous areas to 100 m spacing, followed by drilling and costeaming the best of the anomalies.

In most surveys the assay suite, besides uranium, included a number of other elements including base metals and REEs (but not lithium). This geochem data is a valuable resource that will help Zeus immediately focus their planned exploration on key areas anomalous in uranium and REEs that have not been considered by the previous explorers due to their apparently narrow focus on a specific style of uranium hosted in calcrete. Zeus will also be specifically collecting rock and soil samples on and near outcropping pegmatites, which have not been sampled to date, to investigate their uranium, REE and lithium potential.



DIRECTORS' REPORT

Blue Hill/Wyldgee Project

The Blue Hill/Wyldgee Project consists of two granted ELs (E59/2853 and E59/2854) and one EL applications (E59/2804) in the Paynes Find district, approximately 420 km north of Perth.

Zeus' Blue Hill EL application E59/2804 is located 4 km to the east of the Rothsay gold mine owned by Silver Lake Silver Lake Resources Ltd (**ASX: SLR**) and 6 km south of the Golden Dragon open cut gold mines now owned by **Warriedar Resources Ltd (ASX: WA8)**.

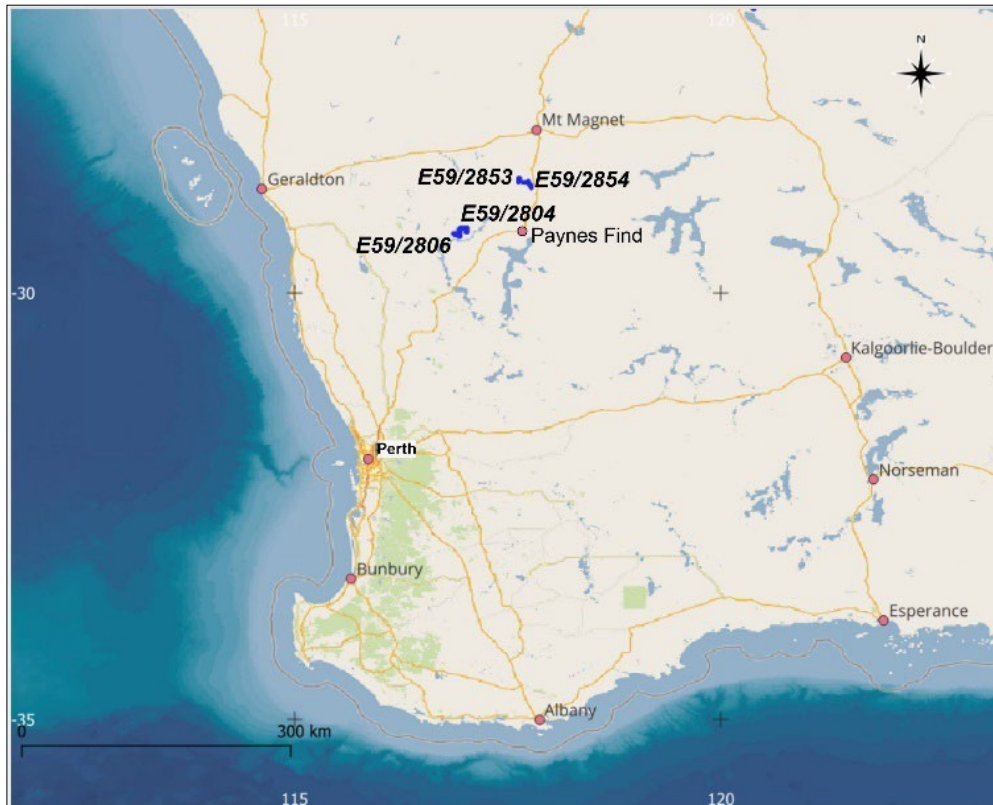


Figure 6: Location map showing E59/2804, E59/2853 and E59/2854

Geology – Blue Hills/Wyldgee Project

E59/2804 and E59/2806 lie at the south end of the Warriedar Fold Belt along the contact between the greenstones (metamorphosed igneous rocks and sediments) and granitic intrusives (Figure 4). E59/2853 and E59/2854 are located at Nalbarra Station in Big Bell Suite monzogranites and Tuckanarra Suite meta-granites to the west of the Wyldgee Fold Belt (Figure 7).



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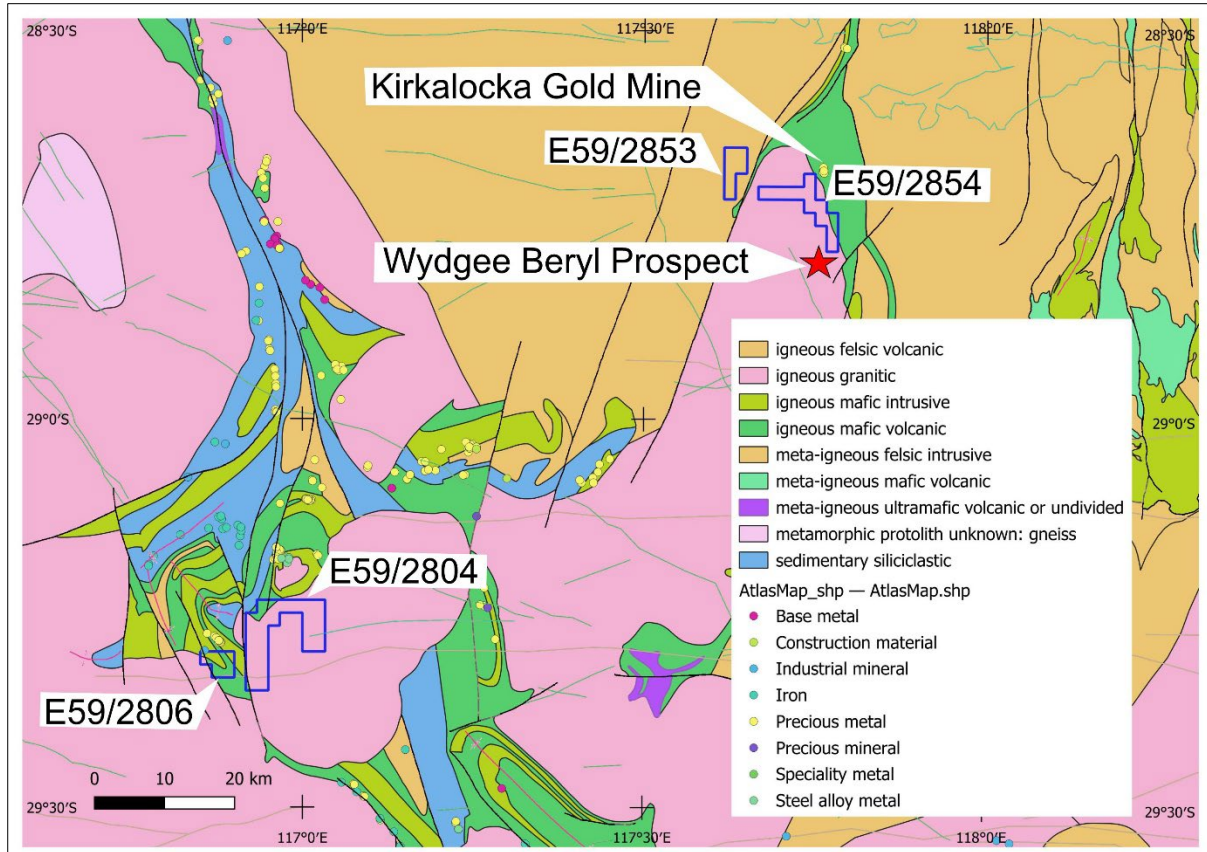


Figure 7: Regional bedrock geology - Paynes Find tenements.

The regional Geological Survey of WA (GSWA) mapping of the area covered by the tenements shows that they are mostly covered by eluvial and alluvial sands and silts with some scattered small outcrops of bedrock with almost all the tenements overlying Yilgarn Craton granites.

Soil Sampling – Blue Hill

During September 2023, the Company geologist conducted a field trip to the Blue Hill Project to collect reconnaissance soil and rock chip samples on E59/2804 to determine the lithium, REE, gold, and base metal potential of the tenement.

A total of 42 soil samples and a rock chip sample were collected during this field trip and were submitted to the ALS laboratory in Perth for chemical analysis. The assay results for these samples have been received (Referring to the announcement on 13 November 2023).

The samples collected in the north of the tenement followed the road at 100m intervals over the granite/mafic intrusion contact (Figure 8). Subcropping coarse grained granite was common over the granite section along with some scattered fragments of coarser feldspar/quartz/biotite pegmatite over the whole of the traverse sampled. The assays for these samples clearly delineated the underlying geology with the highest grades over mafic intrusives. These anomalous samples also corresponded with the portion of the traverse, along which, most of the scattered pegmatite float was observed.



DIRECTORS' REPORT

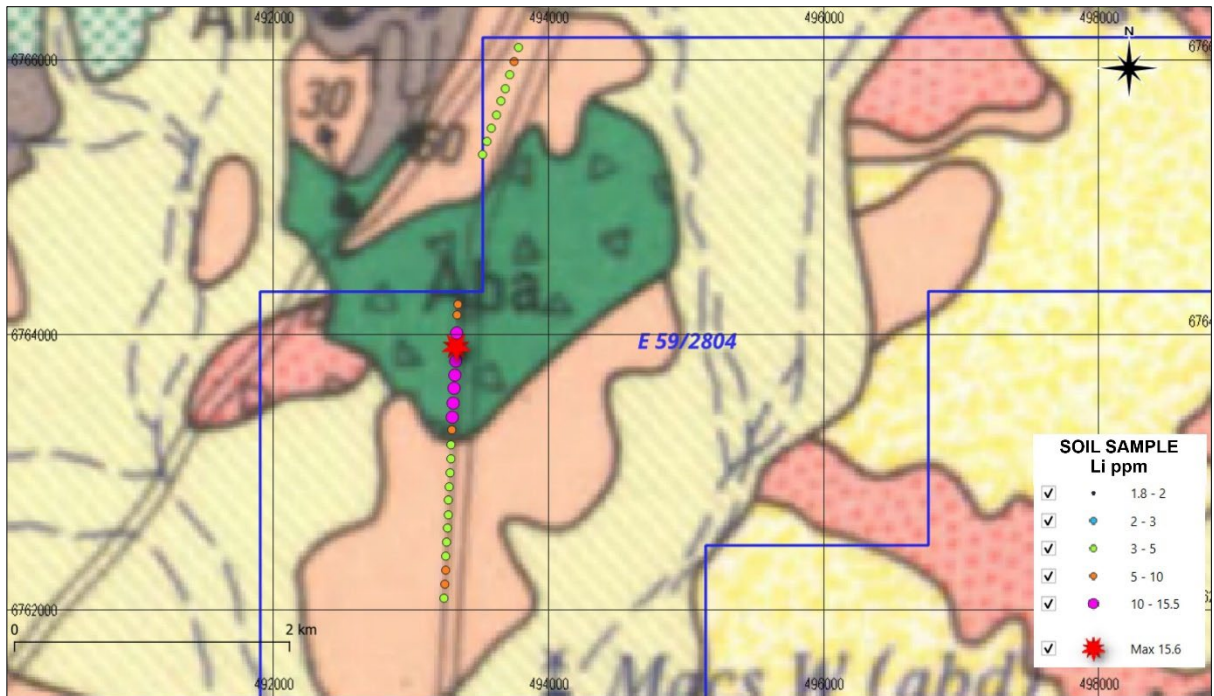


Figure 8: Soil sample locations on geology E59/2804 (North). (GSWA 1:500,000 bedrock geology)

The samples collected in the south of the tenement, along traverses at 100m intervals, were entirely covered by Recent sand deposits with some scattered coarsely crystalline fragments of granite at the southern end of the traverse (Figure 9). These samples returned lower grade assays, similar to those in the northern area over underlying granites. It was noted though that the grades tended higher towards the south closer to the granite outcrop.

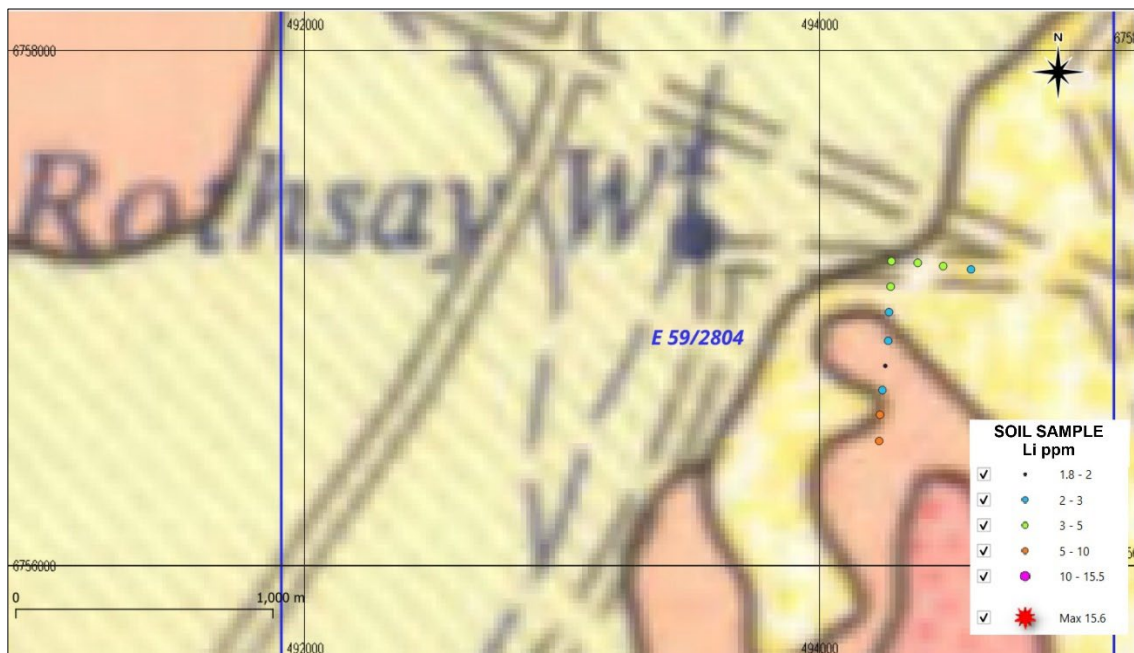


Figure 9: Soil sample locations on geology E59/2804 (South). (GSWA 1:250,000 surface geology)

Zeus concluded that this reconnaissance soil sampling was a success as the assays clearly matched the underlying geology and the higher grades corresponded with areas where pegmatite float was noted in the surrounding area.

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DIRECTORS' REPORT

Planned Exploration – Blue Hill

Once the Blue Hill tenement has been granted, Zeus intend to carry out detailed mapping and geochemical sampling to determine accurately the granite/greenstone contacts and locate any pegmatite outcrops. After the extent of the pegmatites have been accurately determined, soil sampling on an appropriately spaced grid will be carried out over the target zones to locate any geochemically anomalous areas that will be followed up with RC drilling.

Soil Sampling – Wydgee

The Company's geologists visited tenement E59/2854 north of the Wydgee beryl deposit and collected 32 soil samples along a line at 100 m intervals across the whole tenement at approximately 6820150N (GDA94 Zone 50) to assess if soil samples detect geochemical anomalism along strike from the known mineralised pegmatite at Wydgee. The easternmost samples also tested the possible strike extension of the Kirkalocka Gold Mine. No significant lithium was found in those samples.

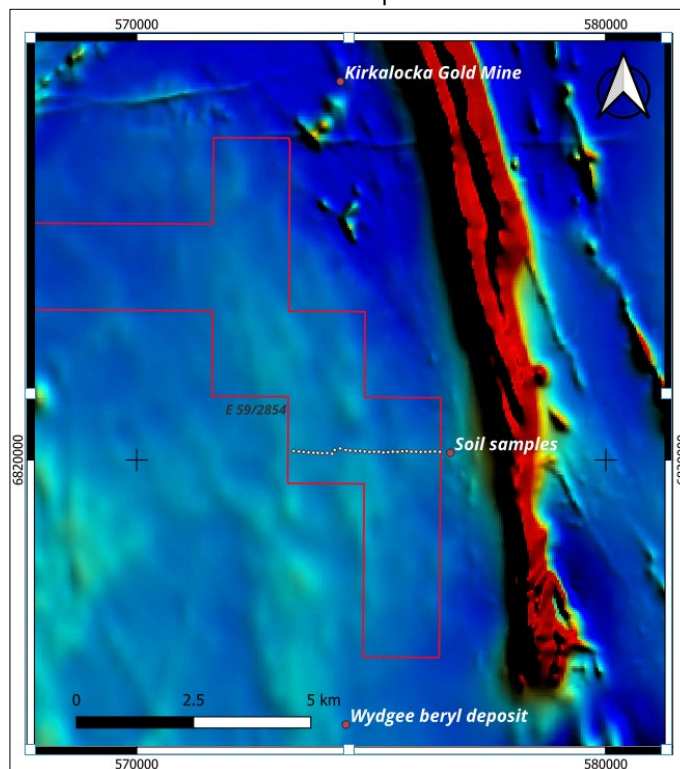


Figure 10: Soil sample locations E59/2854. (after GSWA aeromagnetics 40m RTP 2023)

Planned Exploration - Wydgee

Now that the tenements have been granted, Zeus intends to carry out detailed mapping and further geochemical sampling to determine accurately the granite/greenstone contacts and locate any pegmatite outcrops.

After the extent of the pegmatites has been accurately determined, soil sampling on an appropriately spaced grid will be carried out over the target zones to locate any geochemically anomalous areas that will be followed up with RC drilling.



DIRECTORS' REPORT

Result of Ballot E59/2806

A ballot was conducted by the Mining Warden on 14 December 2023 involving competing applications covering Zeus's application E59/2806 at Blue Hill. Zeus's application was drawn third.

Pilbara project – Hammersley Range

Zeus has applied for three Exploration Licences (E45/6749 - submitted on 13 November 2023, E45/6823 and E45/6829 - submitted on 13 December 2023) south of Port Hedland in the highly prospective Pilbara region of WA (Figure 11). These applications are subject to ballot with other applicants.

The Pilbara has been the focus of much recent exploration for pegmatite hosted lithium and Rare Earth Elements (REEs) with the most notable discoveries by Pilbara Minerals Ltd at Pilgangoora, Mineral Resources Ltd at Wodinga and Azure Minerals Ltd at Andover.

The main exploration target on these tenements will be lithium and Rare Earth Element (REE) bearing pegmatites.

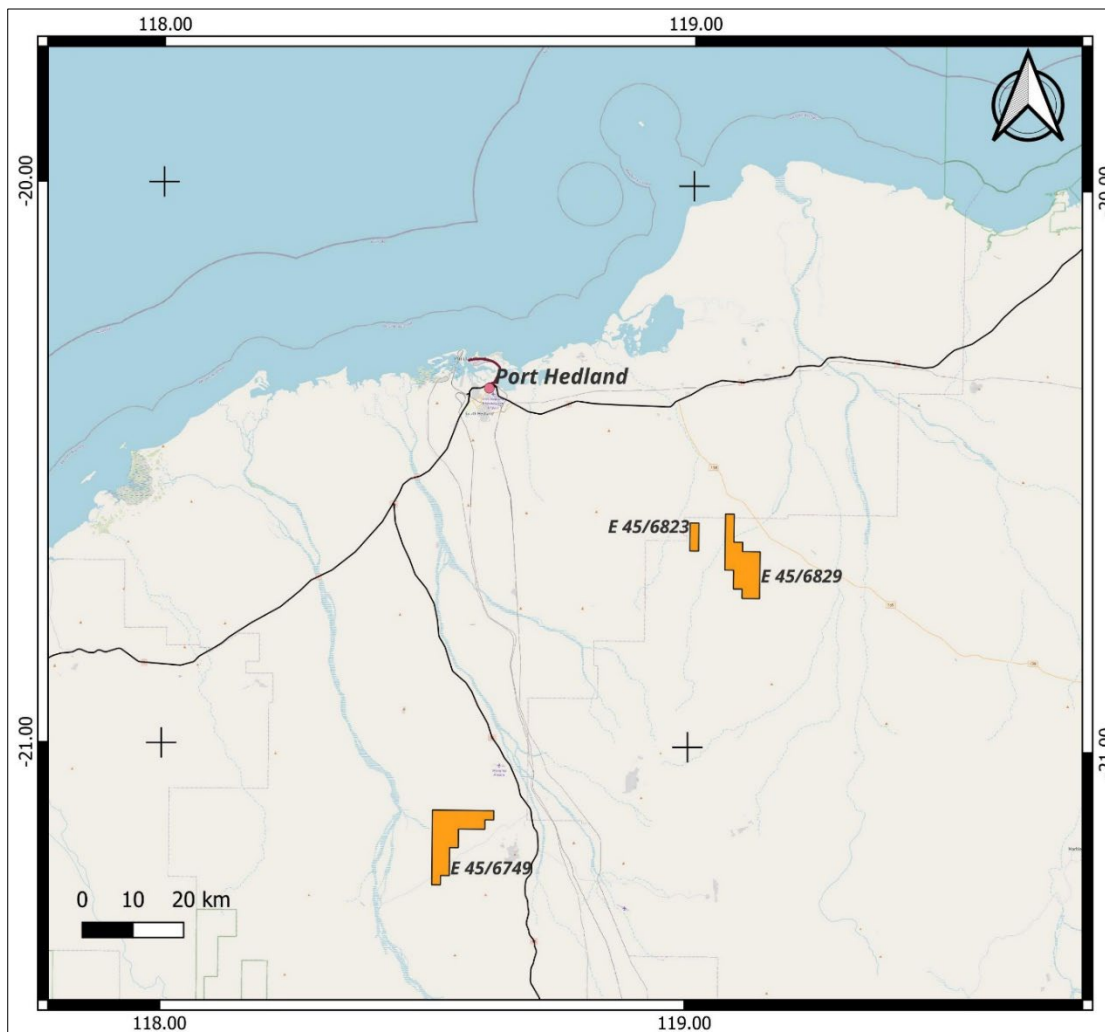


Figure 11: Location of Pilbara tenement applications.



DIRECTORS' REPORT
E45/6749

Tenement E45/6749 covers 26 graticular blocks (approximately 78 km²) and overlies Archean granitic rocks (Figure 12). Approximately a third of the tenement is covered by Cainozoic sediments with the remainder mostly outcropping granitic bedrock.

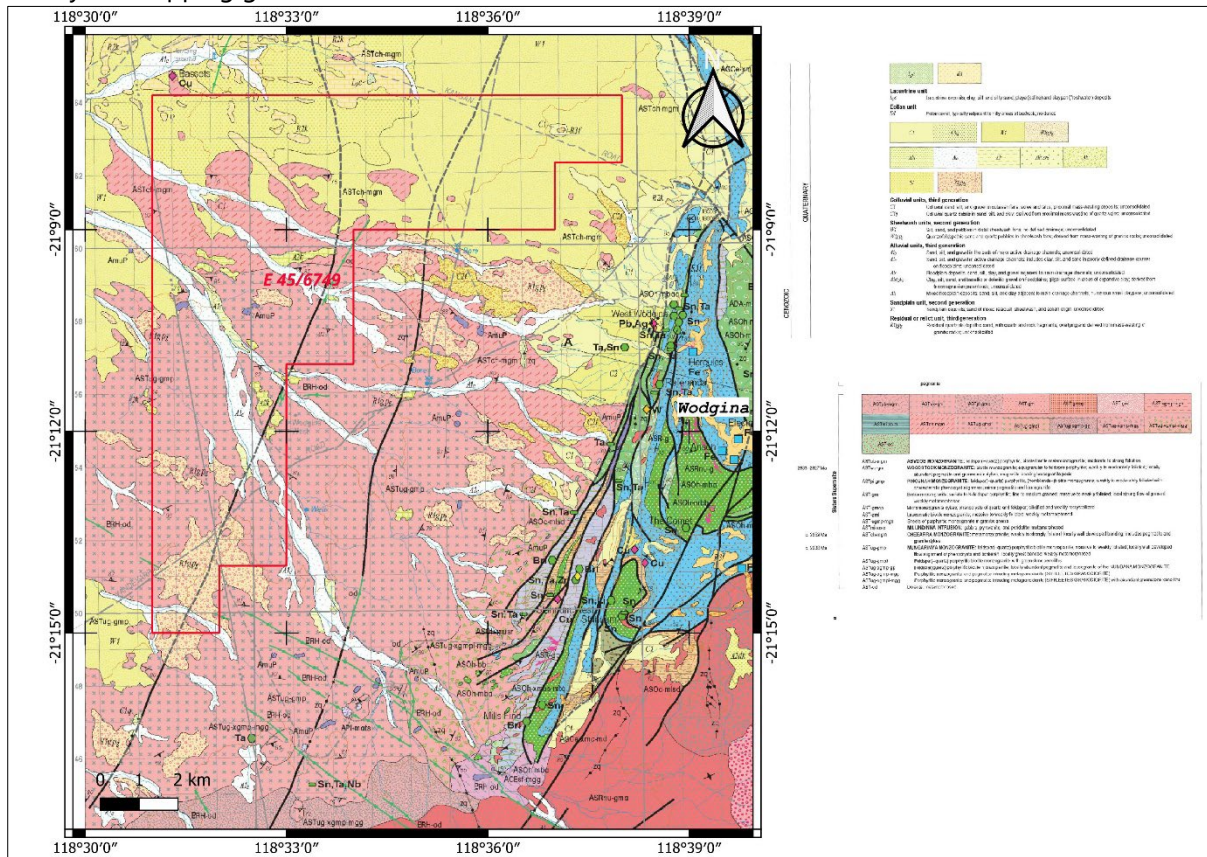


Figure 12: Surface geology of EL application E45/6749. (after GSWA 1:100k Wodgina 2655 geology sheet)

According to the Geological Survey of Western Australia (GSWA) WAMEX database there has been no significant recent mineral exploration over the tenement, however, there has been substantial exploration in the surrounding greenstones for gold, base metals as well as pegmatite hosted beryl, tin, tantalite and lithium minerals in the Wodgina district approximately 10 km to the east.

E45/6823 and E45/6829

Tenement E45/6823 covers 3 graticular blocks (approximately 9 km²) and E45/6829 covers 21 graticular blocks (approximately 63 km²) overlying Archean granitic rocks (Figure 13). Both tenements are mostly covered by Cainozoic sediments with limited outcropping granitic bedrock.

The granitic rocks underlying the tenements include coarse grained tonalites and monzogranites that are commonly a source of pegmatites in the adjacent rocks. The presence of nearby tantalite and beryl bearing pegmatites at Tabba Tabba and Biscay Well provide encouragement that any pegmatites located on the Company's tenements could also be similarly mineralised.

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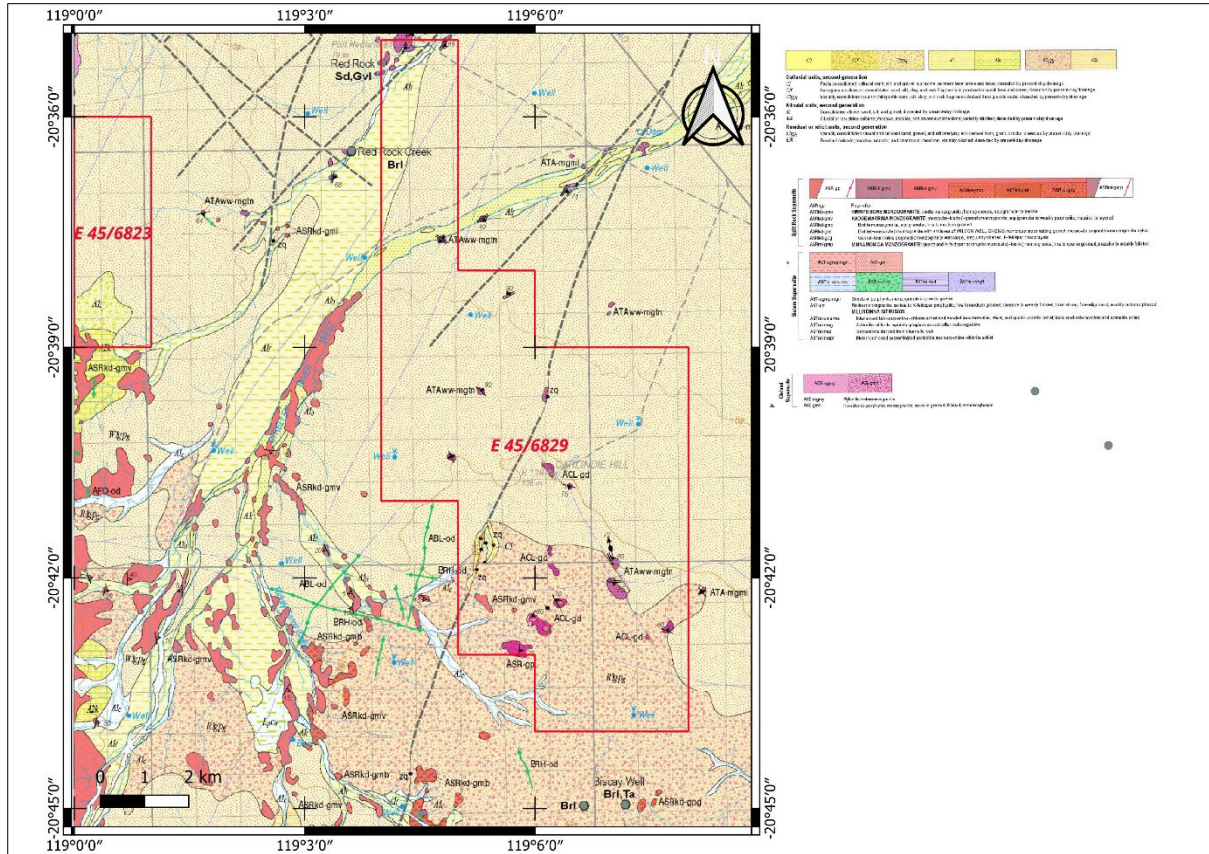


Figure 13: Surface geology of EL applications E45/6823 and E45/6829. (after GSWA 1:100k Carlindie 2756 geology sheet)

According to the Geological Survey of Western Australia (GSWA) WAMEX database the only significant recent mineral exploration over the tenements was for diamonds with no records of lithium or REE exploration.

Mortimer Hills Project (E09/2147, E09/2791, E09/2798, E09/2865, E09/2874, E09/2886, E09/2891 And E09/4148)

The Mortimer Hills Project currently comprises one granted exploration licence, E09/2147, located approximately 5 km east-southeast along strike from DLI's Yinnietharra Lithium Prospect, and seven other exploration licence applications elsewhere in the district (Figure 14).

The Mortimer Hills tenements cover greenstones and granitic rocks that are considered by Zeus to be prospective for lithium and Rare Earth Element (REE) bearing pegmatites.

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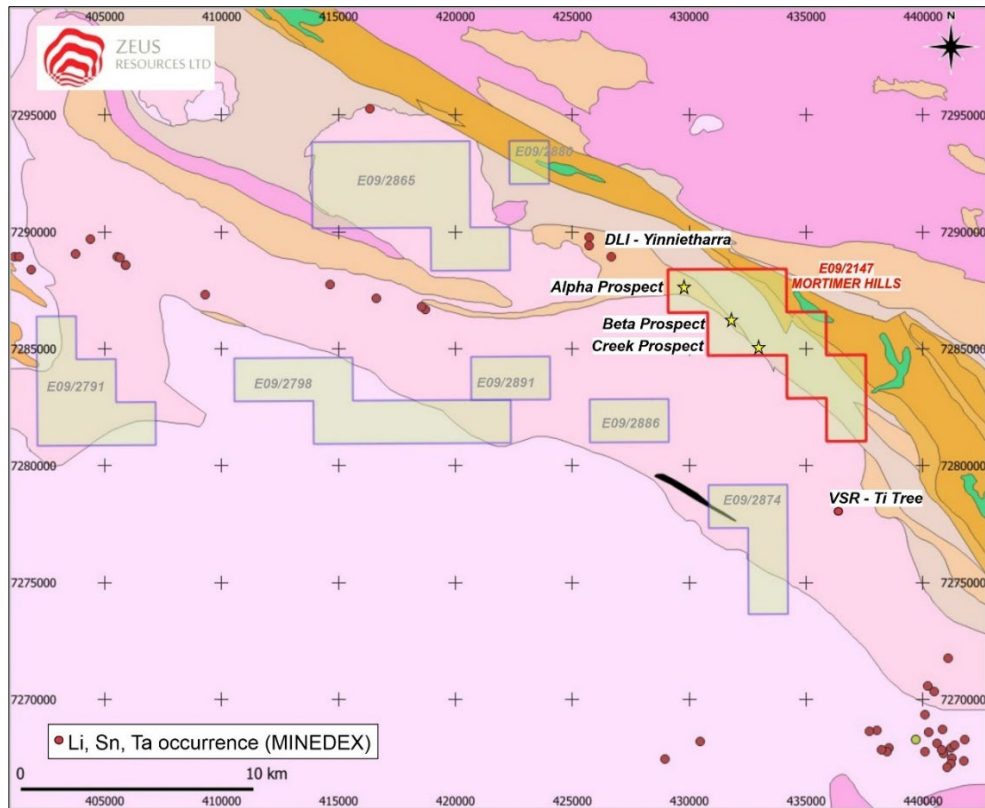


Figure 14: Locations of Mortimer Hills Project tenements.

Phase 2 Drilling

The Company completed an eleven-hole Phase 2 RC drilling at Mortimer Hills during July 2023. The nine holes drilled at the Alpha prospect tested mapped pegmatites to the south of the pegmatites previously tested in the Phase 1 drilling program and drilled deeper up to 150 m (Figure 15). These pegmatites are in the Pooranoo Metamorphics, closer to the contact with the Thirty Three Supersuite Granite.

The two holes completed in the Phase 2 drilling at the Creek prospect were also deeper than the Phase 1 drilling and tested two previously untested large pegmatites along the granite contact (Figure 15). Although this Phase 2 drilling intersected a number of pegmatites, they were found to be unmineralized with the highest-grade sample assay being only 171.5 ppm Li in hole MHA010 at the Alpha Prospect (Referring to the announcement on 6 October 2023). This assay though is significantly higher than the background in the area indicating that the pegmatite sampled is potentially mineralised elsewhere along strike.



DIRECTORS' REPORT

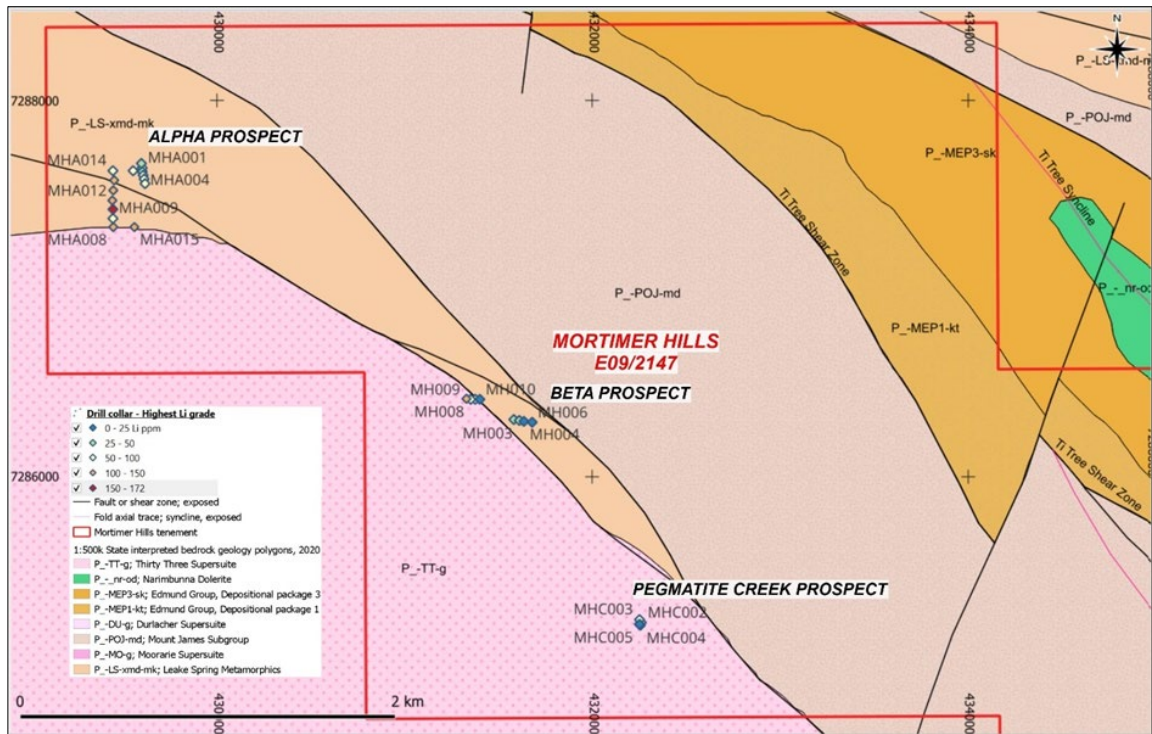


Figure15: Drilling completed to date at Alpha, Beta and Pegmatite Creek prospects on regional geology (after GSWA).

Field Mapping and Soil Geochemical Sampling

The Company collected 174 surface geochemical samples from E09/2147 across key regional structures to better target future drilling programs (Figure 16).

The pegmatites at the adjacent Yinnietharra Lithium project follow shears that potentially extend into the Mortimer Hills tenement. Zeus' soil geochemical sampling followed traverses across the interpreted extension of these shears and other Geological Survey of Western Australia (GSWA) regional shears at approximately 50 m intervals. Encouragingly, several substantial pegmatites were identified along these traverses at about the interpreted shears.

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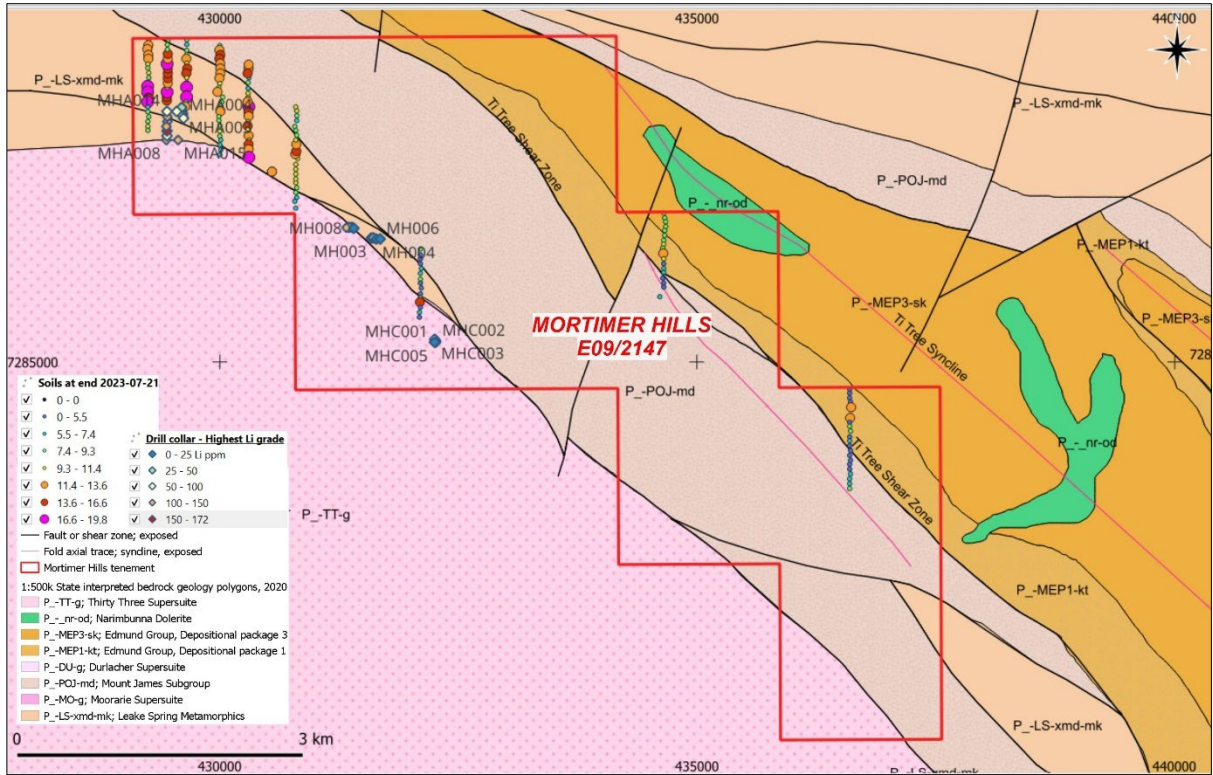


Figure 16: Soil geochemical sample locations on regional geology (after GSWA).

The assay results (Referring to the announcement on 6 October 2023) from this sampling appear to have confirmed that these structures are related to the LCT pegmatite emplacement to the west. Further follow-up soil sampling is planned to in-fill the existing sample lines at Alpha and to test other structural targets within the Mortimer Hills tenement at the Beta and Pegmatite Creek prospects. Once the assays are received for this sampling further RC drilling will be planned to test the anticipated geochemical targets.

The Company's geologists visited Mortimer Hills tenement during December 2023 and collected 7 grab samples of pegmatite for future petrographic study. No significant lithium was found in those samples.

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DIRECTORS' REPORT

Wiluna Project (E53/1603 & E53/2197)

AN objection to application E53/2197 was lodged by a third party in 2021. The matter has been heard in the Warden's Court (Meekatharra) on 19 July 2023. Zeus signed the Access Agreement with this other party in October 2023 resulting in the objection being withdrawn. A Heritage Protection Agreement will need to be signed with the Traditional Owners before the tenement is granted.

Further exploration and activities at Wiluna including a detailed gravity survey and drilling are subject to the granting of the E53/2197 Exploration License.

Due Diligence on MacDonnell Ree Project in NT

The Company has entered into an exclusivity agreement with GS Metals Pty Ltd (ACN 654 797 878) ("**GSM**") to conduct due diligence on their MacDonnell REE Project ("**MacDonnell Project**") (exploration licenses – EL33018, EL33057, EL33058, EL33019 ("**Tenements**")) ("**Exclusivity Agreement**") to explore the potential acquisition of these Tenements from GSM.

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DIRECTORS' REPORT

Competent Person Statement:

The information in this announcement that relates to the Exploration Results is based on information compiled by Mr Phil Jones, who is a Member of the Australian Institute of Geologists (AIG) and Australian Institute of Mining and Metallurgy (AusIMM). Mr Jones is an independent geological consultancy. Mr Jones does not nor has had previously, any material interest in Zeus or the mineral properties in which Zeus has an interest. Phil Jones's relationship with Zeus is solely one of professional association between client and independent consultant. Mr Jones has experience in exploration, prospect evaluation, project development, open pit and underground mining and management roles. Mr Jones has worked in a wide variety of commodities including gold, lithium, iron ore, phosphate, copper, lead, zinc, silver, nickel and silica in Australia, China, Kyrgyzstan, Indonesia, New Zealand, Malaysia, Papua New Guinea, and Africa. Mr Jones 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 Jones consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

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DIRECTORS' REPORT

Results of Operations

For the half-year ended 31st December 2023 the Company recorded a loss of \$245,526 (31 December 2022: Loss \$367,286).

Total exploration expenses for the half-year amounted to \$362,555 (31 December 2022: \$264,912), \$305,701 of the exploration expenses were capitalised to current exploration assets (31 December 2022: \$260,748).

Significant changes in state of affairs

- During the period Free Attaching Listed Options were executed, raising \$40,000 in funding for the company; leading to the issue of 2,000,000 Ordinary shares.

Principal activities

The principal activities of the Company during the year was the exploration for base metals, rare earths and research and analysis of investment opportunities in the mining and exploration sector.

Dividends

No dividends have been declared in respect of the half-year ended 31st December 2023 (31 December 2022: nil).

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DIRECTORS' REPORT

Events subsequent to the end of the reporting period

Tenement Application

An application for tenement recorded as ELA2024/007 was approved by the Government of South Australia. The tenement is known as Kalabity and is 148 km².

Other than the above, there are no matters or circumstances that have arisen since 31 December 2023 that have significantly affected or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

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DIRECTORS' REPORT

Auditor independence declaration

The lead auditor's independence declaration as required under section 307C of the Corporations Act 2001 for the half-year ended 31 December 2023 has been received and can be found on page 27 of this interim report.

Signed in accordance with a resolution of the Board of Directors.

A handwritten signature in black ink, appearing to read 'Ding Xu'.

Ding Xu
Chairperson

Dated this 13th day of March 2024

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Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of Zeus Resources Limited

As lead auditor for the review of Zeus Resources Limited for the half-year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Zeus Resources Limited during the period.

Yours faithfully



William Buck
Accountants & Advisors
ABN: 16 021 300 521



Rainer Ahrens
Partner
Sydney, 13 March 2024



STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	Notes	Half-Year ended 31-Dec-23	Half-Year ended 31-Dec-22
		\$	\$
Interest Income		13,623	3,469
Less expenses:			
Corporate and administration costs			
Accounting and Audit Fees		49,297	45,295
Company secretarial and compliance		19,022	21,477
IT and communications		2,732	3,233
Directors' fees		2,500	2,500
Directors' meetings and expenses		33,913	9,457
Employee salaries and benefits		40,240	28,031
Insurance		1,728	1,233
Legal and consultants' fees		9,173	-
Office Rent and Outgoings		13,390	12,491
Share registry maintenance and listing fees		22,555	17,020
Exploration and evaluation costs			
Project expenditure (net of capital expenses)		56,854	4,163
Impairment of Projects		-	219,660
Business development costs			
Travel and accommodation		4,932	475
Other expenses from ordinary activities			
Depreciation		1,003	1,858
Other expenses		1,810	3,862
Total Expenses		259,149	370,755
Loss before income tax		(245,526)	(367,286)
Income tax expense		-	-
Loss for the period attributable to the Company		(245,526)	(367,286)
Other comprehensive income		-	-
Total comprehensive loss for the period attributable to the Company		(245,526)	(367,286)
Earnings per Share			
Basic – cents per share		(0.05)	(0.17)
Diluted – cents per share		(0.05)	(0.17)

The above statement of statement of profit and loss should be read in conjunction with the accompanying notes.



STATEMENT OF FINANCIAL POSITION FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	Notes	As at 31-Dec-23	As at 30-Jun-23
CURRENT ASSETS		\$	\$
Cash and cash equivalents		1,767,026	2,346,863
Other assets		34,656	10,333
TOTAL CURRENT ASSETS		<u>1,801,682</u>	<u>2,357,196</u>
NON-CURRENT ASSETS			
Exploration and evaluation assets	2	1,272,002	966,301
Property, plant and equipment		1,162	2,165
TOTAL NON-CURRENT ASSETS		<u>1,273,164</u>	<u>968,466</u>
TOTAL ASSETS		<u>3,074,846</u>	<u>3,325,662</u>
CURRENT LIABILITIES			
Trade and other payables		69,434	107,697
Employee entitlements		62,646	69,673
TOTAL CURRENT LIABILITIES		<u>132,080</u>	<u>177,370</u>
TOTAL LIABILITIES		<u>132,080</u>	<u>177,370</u>
NET ASSETS		<u>2,942,766</u>	<u>3,148,292</u>
EQUITY			
Contributed equity		20,756,771	20,716,771
Accumulated losses		(17,814,005)	(17,568,479)
TOTAL EQUITY		<u>2,942,766</u>	<u>3,148,292</u>

The above statement of statement of financial position should be read in conjunction with the accompanying notes.



STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	Note	Contributed Equity	Accumulated Losses	Total
		\$	\$	\$
Balance at 1 July 2023		20,716,771	(17,568,479)	3,148,292
Total comprehensive loss for the half-year		-	(245,526)	(245,526)
Options executed		40,000	-	40,000
Balance at 31 December 2023	3	<u>20,756,771</u>	<u>(17,814,005)</u>	<u>2,942,766</u>
Balance at 1 July 2022		18,496,219	(16,680,096)	1,816,123
Total comprehensive loss for the half-year		-	(367,286)	(367,286)
Capital raising charges		(154,199)	-	(154,199)
Balance at 31 December 2022		<u>18,342,020</u>	<u>(17,047,382)</u>	<u>1,294,638</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes.



**STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

	Note	Half-Year Ended 31-Dec-23	Half-Year Ended 31-Dec-22
		\$	\$
CASH FLOW FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(270,256)	(152,991)
Interest received		12,974	2,946
Payments for expensed exploration and evaluation costs		(56,854)	(3,235)
Net cash used in Operating Activities		<u>(314,136)</u>	<u>(153,280)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for capitalised exploration and evaluation costs		(305,701)	(260,748)
Net cash used in Investing Activities		<u>(305,701)</u>	<u>(260,748)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Options exercised 4 July 2023	4	40,000	-
Capital raising charges		-	(99,081)
Net cash used in Financing activities		<u>40,000</u>	<u>(99,081)</u>
Net (decrease) / increase in cash and cash equivalents held		(579,837)	(513,109)
Cash at beginning of financial year		<u>2,346,863</u>	<u>976,127</u>
Cash and Cash Equivalents at end of the period		<u>1,767,026</u>	<u>463,018</u>

The above statement of cash flow should be read in conjunction with the accompanying notes.



NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

The interim financial report is a 'general purpose' financial report prepared in accordance with the requirements of the Corporations Act 2001, AASB 134 *Interim Financial Reporting* and other pronouncements of the Australian Accounting Standards Board ("AASB"). Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS34 *Interim Financial Reporting*.

The Material Accounting Policies adopted are consistent with those of the previous Financial Year ended 30 June 2023 unless otherwise stated.

This interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report of Zeus Resources Limited for the year ended 30 June 2023 and any public announcements made by Zeus Resources Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the Australian Securities Exchange Listing Rules.

The financial statements have been approved by the Board on the date of signing.

b. Basis of Preparation

The interim financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of consideration given in exchange for assets. The Company is domiciled in Australia and all amounts are presented in Australian dollars (unless otherwise indicated).

The accounting policies and methods of computation adopted in the preparation of the interim financial report are consistent with those adopted and disclosed in the Company's financial report for the financial year ended 30 June 2023.

c. New Standards and Interpretations applicable for the half-year ended 31 December 2023

For the half-year ended 31 December 2023, the Directors have reviewed and implemented all the new and revised Standards and interpretations issued by the AASB that are relevant to the Company and effective for the current reporting period. The adoption of new standards and interpretations have not impacted the financial report of the Company for this period or for previous periods mentioned.

d. New Standards and Interpretations issued and not yet adopted.

For the half-year ended 31 December 2023, the Directors have also reviewed all the new and revised Standards and interpretations issued by the AASB and not yet adopted that are relevant to the Company. As a result of this review the Directors have determined that the Standards and Interpretations on issue and not yet adopted by the Company will have no material impact on the Company's financial reports and therefore no changes are necessary to the Company's current accounting policies.



NOTES TO THE FINANCIAL STATEMENTS

e. Significant Accounting Judgements and Key Estimates.

The preparation of this interim financial report requires management to make judgments, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim financial report the significant judgments made by management in applying the Company's accounting policies and key sources of estimation uncertainty were the same as those applied in the financial report for the year ended 30 June 2023.

f. Going Concern

For the half-year ended 31 December 2023, the Company recorded a loss of \$245,526 (half-year ended 31 December 2022: loss \$367,286), incurred net cash outflows from operating activities of \$314,136 (half-year ended 31 December 2022: outflows \$153,280). Net assets for the half-year ended 31 December 2023 amounted \$2,942,766 (30 June 2023: \$3,148,292) was mainly represented by cash and tenement assets.

However; the financial statements have been prepared on the basis that the Company is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlements of liabilities in the normal course of business over the next 12 to 18-month period for the following reasons:

- the Board has prepared a detailed cash flow forecasts extending up to June 2025 reflecting the Company's ability to continue paying its debts as and when they fall due from available cash.
- the Board very closely monitoring the progress on tenement explorations on existing and prospective future tenements and focusing on developing these into productive operations or identifying desirable assets for sale.

The accounts do not include any adjustments to the classification nor carrying value of recorded assets and liabilities. The financial statements are therefore prepared on the assumption that the Group is a going concern and will continue its operations for the foreseeable future.



NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. EXPLORATION AND EVALUATION ASSETS	As at 31-Dec-23	As at 30-Jun-23
	\$	\$
Wiluna (Lakes Way)		
Opening Balance	445,883	220,256
Capitalised Costs	31,739	225,627
Impairment	-	-
Closing Balance	<u>477,622</u>	<u>445,883</u>
Gascoyne (Reid)		
Opening Balance	520,418	504,749
Capitalised Costs	250,911	235,329
Impairment	-	(219,660)
Closing Balance	<u>771,329</u>	<u>520,418</u>
Blue Hill		
Opening Balance	-	-
Capitalised Costs	23,051	-
Impairment	-	-
Closing Balance	<u>23,051</u>	<u>-</u>
Total Exploration and Evaluation Assets	<u>1,272,002</u>	<u>966,301</u>

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. CONTRIBUTED EQUITY

31-Dec-23

(a) Ordinary Shares Number	Number on Issue
Balance at the beginning of the half year	457,281,000
Shares issued during the half year	2,000,000
Balance at the end of the half year	<u>459,281,000</u>
(b) Ordinary Shares Value	Value (\$)
Balance at the beginning of the half year	20,716,771
Shares issued during the half year	40,000
Share issue costs	-
Balance at the end of the half year	<u>20,756,771</u>

30-Jun-23

(a) Ordinary Shares Number	Number on Issue
Balance at the beginning of the year	219,150,000
Shares issued during the year	238,131,000
Balance at the end of the financial year	<u>457,281,000</u>
(b) Ordinary Shares Value	Value (\$)
Balance at the beginning of the year	18,496,219
Shares issued during the year	2,571,120
Share issue costs	<u>(350,568)</u>
Balance at the end of the financial year	<u>20,716,771</u>

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has a vote on a show of hands.



NOTES TO THE FINANCIAL STATEMENTS

NOTE 4. OPTIONS

			Half Year Ended 31-Dec-23	Financial Year Ended 30-Jun-23
Options on Issue	Expiry Date	Average weighted price	Number on Issue	Number on Issue
Balance at the start of the period		0.02	200,169,000	219,150,000
Options Exercised	7/02/2025	0.02	2,000,000	18,981,000
Balance at the end of the period		0.02	198,169,000	200,169,000

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 5: RELATED PARTY TRANSACTIONS

31-Dec-23

31-Dec-22

\$

\$

Key management personnel

Short-term employee benefits and Fees

121,720

80,284

Long-term employee benefits and Fees

33,779

30,780

Total KMP compensations

155,499

111,064

Transactions with key management personnel related parties:

During the half year ended 31 December 2023, Canneng Australia was paid \$8,500 (2022 half year: \$8,500) in relation to director and company secretarial fees for Mr Jian Liu. As the end of the half year there was nil payable (2022: nil) by the Company to Canneng Australia.

NOTE 6. OPERATING SEGMENTS

The Company's operations are in one reportable business segment; the exploration of metals and minerals. The Company currently operates in one geographical segment being Australia.



NOTES TO THE FINANCIAL STATEMENTS

NOTE 7: CONTINGENT LIABILITIES

There were no contingent liabilities during the half-year ended 31 December 2023 (30 June 2023: nil).

NOTE 8. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

The directors consider that the carrying amount of the financial assets and liabilities recorded in the financial statements approximates their fair values.

NOTE 9: COMMITMENTS AND CONTINGENCIES	30-Jun-23	30-Jun-22
	\$	\$
<i>Exploration Projects in Western Australia¹</i>		
Within 1 year	183,279	209,945
More than 1 year but not later than five years	1,358,224	969,890
More than five years	-	-
Total	1,541,503	1,179,836
<i>Exploration Projects in South Australia²</i>		
Within 1 year	1,625	-
More than 1 year but not later than five years	8,125	-
More than five years	-	-
Total	9,750	-
Total of Commitments	1,551,253	1,179,836

¹ Based on current minimum commitment requirements set by Department Mining and Petroleum WA and blocks licenced to maintain current rights of tenure to exploration licences. These obligations may be subject to re-negotiation, may be farmed-out or may be relinquished and have not been provided for in the statement of financial position. The above table is a summary of aggregate commitments and does not include tenements applied for but not yet granted.

² Based on current schedule of fees issued by the Government of South Australia – Energy and Mining and blocks licenced to maintain current rights of tenure to exploration licences. These obligations may be subject to re-negotiation, may be farmed-out or may be relinquished and have not been provided for in the statement of financial position. The above table is a summary of aggregate commitments and does not include tenements applied for but not yet granted.



NOTES TO THE FINANCIAL STATEMENTS

NOTE 10. EVENTS SUBSEQUENT TO REPORTING DATE

Tenement Application

An application for tenement recorded as ELA2024/007 was approved by the Government of South Australia. The tenement is known as Kalabity and is 148 km².

Other than the above, there are no matters or circumstances that have arisen since 31 December 2023 that have significantly affected or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

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DIRECTORS' DECLARATION

The Directors of the Company declare that:

- 1** The financial statements and notes, as set out on pages 29 to 40 are in accordance with the *Corporations Act 2001*:
 - 1.a** comply with Accounting Standard AASB 134: *Interim Financial Reporting* and Corporations Regulations 2001 and
 - 1.b** give a true and fair view of the financial position as at 31 December 2023 and of the performance for the half-year ended on that date of the Company.

- 2** In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

A handwritten signature in black ink, appearing to read 'Ding Xu'.

Ding Xu
Chairperson

Dated this 13th day of March, 2024

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Tenement Schedule

Licence Name	Licence Number	State/Territory	Area Graticular Blocks/km	Project	Date Expires/Note	Ownership
Granted						
Lake Way Uramurdah	E53/1603	W.A.	5	Wiluna	14 Feb 25	100% owned and Operated by Zeus Resources Ltd
Reid Well	E09/2147	W.A.	15	Gascoyne	14 Sep 26	100% owned and Operated by Zeus Resources Ltd
Little Kia Well	E59/2853	W.A.	6	Wydgee	28 Nov 28	100% owned and Operated by Zeus Resources Ltd
Kirkalocka	E59/2854	W.A.	12	Wydgee	28 Nov 28	100% owned and Operated by Zeus Resources Ltd
Kalabity	ELA2027/07	S.A.	148 km ²	Olary	1 Feb 29	100% owned and Operated by Zeus Resources Ltd
Pending Applications				Lodged		
Lake Way	E53/2197	W.A.	60	Wiluna	Pending	27/10/2021
Yinnetharra1	E 09/2791	W.A.	6	Gascoyne	Pending	27/2/2023
Yinnetharra2	E 09/2798	W.A.	8	Gascoyne	Pending	27/2/2023
Mount Phillip1	E 09/2865	W.A.	10	Gascoyne	Pending	19/6/2023
Yinnatharra3	E 09/2874	W.A.	4	Gascoyne	Pending	19/6/2023
Mount Phillip2	E 09/2880	W.A.	1	Gascoyne	Pending	19/6/2023
Yinnatharra4	E 09/2886	W.A.	2	Gascoyne	Pending	19/6/2023
Yinnatharra5	E 09/2891	W.A.	2	Gascoyne	Pending	19/6/2023
South Indee Well Bore	E 45/6749	W.A.	26	Hammersley	Pending	13/11/2023
South Strelley1	E 45/6823	W.A.	3	Hammersley	Pending	14/12/2023
South Strelley2	E 45/6829	W.A.	21	Hammersley	Pending	14/12/2023
Rothsay	E 59/2804	W.A.	25	Blue Hills	Pending	20/3/2023
Warburton North	E 69/4147	W.A.	91	South Gibson	Pending	3/4/2023
Warburton South	E 69/4148	W.A.	39	South Gibson	Pending	3/4/2023

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Independent auditor's review report to the members of Zeus Resources Limited

Report on the Review of the Half-Year Financial report

Our conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Zeus Resources Limited (the Company), does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the Company's financial position as at 31 December 2023 and of its financial performance for the half-year then ended; and
- complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

What was reviewed?

We have reviewed the accompanying half-year financial report of the Company, which comprises:

- the statement of financial position as at 31 December 2023,
- the statement of profit or loss and other comprehensive income for the half-year then ended,
- the statement of changes in equity for the half-year then ended,
- the statement of cash flows for the half-year then ended,
- notes to the financial statements, including a summary of material accounting policy information, and
- the directors' declaration.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's responsibilities for the review of the financial report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibilities of the directors for the half-year financial report

The directors of Zeus Rsources Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



William Buck

Accountants & Advisors

ABN: 16 021 300 521



Rainer Ahrens

Partner

Sydney, 13 March 2024