

ZEUS RESOURCES LIMITED (ZEU) – CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Statement sets out Zeus Resource Limited's (**the Company**) current compliance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**the ASX Principles and Recommendations**). The ASX Principles and Recommendations are not mandatory. However, the Company will be required to provide a statement in its future annual reports disclosing the extent to which the Company has followed the ASX Principles and Recommendations.

ASX Principles and Recommendations	Comply (Yes/No)	Explanation
1. Lay solid foundations for management and oversight		
1.1. Companies should establish the functions reserved to the board and those delegated to senior executives and disclose those functions.	Yes	The Company's board of directors (the Board) is responsible for corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. The goals of the corporate governance processes are to: (a) maintain and increase Shareholder value; (b) ensure a prudential and ethical basis for the Company's conduct and activities; and (c) ensure compliance with the Company's legal and regulatory objectives. Consistent with these goals, the Board assumes the following responsibilities: (a) developing initiatives for profit and asset growth; (b) reviewing the corporate, commercial and financial performance of the Company on a regular basis; (c) acting on behalf of, and being accountable to, the Shareholders; and (d) identifying business risks and implementing actions to manage those risks and corporate systems to assure quality.

		The Company is committed to the circulation of relevant materials to directors in a timely manner to facilitate directors' participation in Board discussions on a fully-informed basis. It is expected that the division of responsibility of the Board and senior executives will vary with the evolution of the Company. The Company intends to regularly review the balance of responsibilities to ensure that the division of functions remains appropriate to the needs of the Company.
1.2. Companies should disclose the process for evaluating the performance of senior executives.	No	The Company currently has only one senior executive. Performance evaluation will be undertaken by the Chairman on behalf of the Board, against KPI's agreed by the Board and the CEO. The outcomes of the performance evaluation will be presented to the Board for discussion and decisions.
1.3. Companies should provide the information indicated in the Guide to reporting on Principle 1. <i>Guide to reporting on Principle 1</i> • an explanation of any departure from Recommendation 1.1, 1.2 or 1.3 • whether a performance evaluation for senior executives has taken place in the reporting period and whether it was in accordance with the process disclosed. A statement of matters reserved for the board, or the board charter or the statement of areas of delegated authority to senior executives should be made publicly available, ideally by posting it to the company's website in a clearly marked corporate governance section.	Yes	• <i>Departure from recommendations:</i> See 1.2 above. • <i>Performance evaluation:</i> See 1.2 above • <i>Matters reserved for the Board / Board charter / delegated authority:</i> A statement of the role and responsibilities assumed by the Board can be found on the Company website at http://www.zeusresources.com/corporate-governance.asp under the heading "The Board of Directors" and in the IPO Prospectus dated 14 November 2012 (http://www.zeusresources.com/prospectus.asp) under the same heading at page 210.

2. Structure the board to add value		
2.1. A majority of the board should be independent directors.	Yes	The Board has reviewed the position and associations of each of the three directors in office and has determined that two of the three directors are independent. In making this determination the Board has had regard to the independence criteria in ASX Principle 2 and other facts, information and circumstances that the Board considers relevant. The Board assesses the independence of new directors upon appointment and reviews their independence, and the independence of the other directors, as appropriate. The Board strives to ensure that it is comprised of directors with a blend of skills, experience and attributes appropriate to the Company and its business. The principle criterion for the appointment of new directors is their ability to add value to the Company and its business.
2.2. The chair should be an independent director.	Yes	The Company's current Chairman, Dr Michael Etheridge, satisfies the ASX Principles and Recommendations definition of an independent director.
2.3. The roles of chair and chief executive officer should not be exercised by the same individual.	Yes	The Company's current chief executive officer is Mr Ian de Renzie Duncan.

2.4. The board should establish a nomination committee.	No	No formal nomination committee or procedures have been adopted for the identification, appointment and review of Board membership. The Board has not thus far considered such steps to be appropriate to the nature and scale of the Company in its early stages of development. However, the Board is committed to ensuring that as the Company and its operations continue to expand and develop so will its Board nomination and composition review procedures be formalised. The Board considers that, for the time being, nomination will be most efficiently and effectively handled through an informal assessment process facilitated by the Chairman in consultation with the Company's professional advisers and other Directors (as required).
2.5. Companies should disclose the process for evaluating the performance of the board, its committees and individual directors.	No	During the early stages of the development of the Company and its business, formal evaluation procedures have not been appropriate to the nature and scale of the Company. The Board is in the process of developing policies and procedures for evaluating board and committee performance in order to suit the needs of the Company as it continues to grow, and intends to implement these policies and procedures within 12 months after listing.
2.6. Companies should provide the information indicated in the Guide to reporting on Principle 2. <i>Guide to reporting on Principle 2</i> - the skills, experience and expertise relevant to the position of director held by each director in office at the date of the annual report - the names of the directors considered by the board to constitute independent directors and the company's materiality thresholds - the existence of any of the relationships listed in	In part (see below) Yes Yes Yes	<i>Skills, experience and expertise of current directors:</i> The skills, experience and expertise of each director as at the date of the Company's initial public offering (IPO) are detailed in the IPO Prospectus dated 14 November 2012 (http://www.zeusresources.com/prospectus.asp) and can also be found directly on the Company's website at http://www.zeusresources.com/board-of-directors.asp. Following listing, details of the skills, experience and expertise of each director relevant to his or her role as

Box 2.1 and an explanation of why the board considers a director to be independent, notwithstanding the existence of these relationships • a statement as to whether there is a procedure agreed by the board for directors to take independent professional advice at the expense of the company • a statement as to the mix of skills and diversity for which the board of directors is looking to achieve in membership of the board • the period of office held by each director in office at the date of the annual report • the names of members of the nomination committee and their attendance at meetings of the committee, or where a company does not have a nomination committee, how the functions of a nomination committee are carried out • whether a performance evaluation for the board, its committees and directors has taken place in the reporting period and whether it was in accordance with the process disclosed • an explanation of any departures from Recommendations 2.1, 2.2, 2.3, 2.4, 2.5 or 2.6. The following material should be made publicly available, ideally by posting it to the company's website in a clearly marked corporate governance section: • a description of the procedure for the selection and appointment of new directors and the re-election of incumbent directors • the charter of the nomination committee or a	Yes Yes No Yes Yes Yes Yes	director will be included in the Company's first annual report after admission to official quotation on the ASX. • <i>Independent directors:</i> The Board currently has two independent non-executive directors, Dr Michael Etheridge (Chairman) and Mr Greg Hall. None of the Box 2.1 relationships listed in the ASX Principles and Recommendations applies to either Dr Etheridge or Mr Hall. (Box 2.1 of the ASX Principles and Recommendations lists the following relationships: i) substantial shareholder of the company or an officer of, or otherwise associated directly with, a substantial shareholder of the company; ii) employee or person previously employed in an executive capacity by the company or another group member (where there has not been a period of at least three years between cessation of employment and serving on the board); iii) has been, within the last 3 years, a principal of a material professional adviser or a material consultant to the company or another group member, or an employee materially associated with the service provided; iv) material supplier or customer of the company or other group member, or an officer of or otherwise associated (directly or indirectly) with a material supplier or customer; v) material contractual relationship with the company or another group member other than as a director.) • <i>Independent professional advice:</i> Subject to the Chairman's approval (not to be unreasonably withheld) the directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties. • <i>Skills and diversity policy:</i> The principal criterion for appointment of new directors is their ability to add value to the Company and its business. Subject to this criterion, the Company is committed to having a Board comprised of directors with a blend of skills, experience and attributes appropriate for the Company as a newly listed public company and its business of mining
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summary of the role, rights, responsibilities and membership requirements for that committee the board's policy for the nomination and appointment of directors.		exploration. The Company does not presently have a policy with respect to diversity of Board membership (see also 3.2 below). Given the small size of the current Board and the current scale of the Company's personnel and operations, the Board does not consider such a policy appropriate. However, the Board intends to develop further appointment criteria as the Company continues to expand. <i>Period in office of each director:</i> The appointment details of each current director will be included in the Company's next annual report. <i>Nomination committee:</i> See 2.4 above. <i>Performance evaluation:</i> See 2.5 above. <i>Departures from 2.1, 2.2, 2.3, 2.4, 2.5 or 2.6:</i> See 2.4 and 2.5 above, and this section 2.6. <i>Selection and appointment of new directors and re-election:</i> In addition to the information given above in this section ("Skills and diversity"), public information is available on the Company's website at http://www.zeusresources.com/corporate-governance.asp under the heading "Composition of the Board" and in the IPO Prospectus dated 14 November 2012 (http://www.zeusresources.com/prospectus.asp) under the same heading at page 210. <i>Nomination committee charter:</i> N/A. See 2.4 above. <i>Board policy for nomination and appointment of directors:</i> In addition to the information given above in this section ("Skills and diversity"), public information is available on the Company's website at http://www.zeusresources.com/corporate-governance.asp under the heading "Composition of the Board" and in the IPO Prospectus dated 14 November
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		2012 (http://www.zeusresources.com/prospectus.asp) under the same heading at page 210.
3. Promote ethical and responsible decision-making		
3.1. Companies should establish a code of conduct and disclose the code or a summary of the code as to: - the practices necessary to maintain confidence in the company's integrity; - the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders; - the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.	No	The Board is committed to the establishment and maintenance of appropriate ethical standards. Given the current size of the Company and the fact that the Company is only in the early stages of the development of its business, there is currently no official code of conduct in place. A formal code of conduct appropriate to the Company's business will be established and disclosed within 12 months after listing.
3.2. Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the board to establish measureable objectives for achieving gender diversity and for the board to assess annually both the objectives and progress in achieving them.	No	The Company has not established a formal policy addressing diversity. Given the current size of the Company and the fact that the Company is only in the early stages of the development of its business, the Board does not consider it meaningful to have a diversity policy. As the Company develops the Board intends to review its practices, and if deemed necessary in the future, the Board may consider adopting a policy at that time.
3.3. Companies should disclose in each annual report the measureable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress towards achieving them.	No	As mentioned in 3.2 above, the Company has not established a formal policy addressing diversity

3.4.	Companies should disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board.	No	There are currently no women in senior executive positions in the Company, or on the Board.
3.5.	Companies should provide the information indicated in the Guide to reporting on Principle 3. <i>Guide to reporting on Principle 3</i> An explanation of any departure from Recommendations 3.1, 3.2, 3.3, 3.4 or 3.5 should be included in the corporate governance statement in the annual report. The following material should be made publicly available, ideally by posting it to the company's website in a clearly marked corporate governance section: • any applicable code of conduct or a summary • the diversity policy or a summary of its main provisions	Yes	• <i>Departure from 3.1, 3.2, 3.3, 3.4, 3.5:</i> See 3.1-3.4 above. • <i>Code of conduct:</i> See 3.1 above. • <i>Diversity policy:</i> See 3.2 above.
4. Safeguard integrity in financial reporting			
4.1.	The board should establish an audit committee.	No	The Company does not have a separately constituted audit committee due to its current size and the fact that the Company is only in the early stages of the development of its business. The responsibilities that normally fall to the Audit Committee will be taken on by the whole Board. However, as the company's business grows and additional directors are appointed, as foreshadowed in the Company's Prospectus, it will be appropriate for the Board to review this policy.
4.2.	The audit committee should be structured so that it: • consists only of non-executive directors;	N/A	The Company does not currently have an audit committee.

• consists of a majority of independent directors; • is chaired by an independent chair, who is not chair of the board; • has at least three members.		
4.3. The audit committee should have a formal charter.	N/A	The Company does not currently have an audit committee.
4.4. Companies should provide the information indicated in the Guide to reporting on Principle 4. <i>Guide to reporting on Principle 4</i> • the names and qualifications of those appointed to the audit committee and their attendance at meetings of the committee, or, where a company does not have an audit committee, how the functions of an audit committee are carried out • the number of meetings of the audit committee • explanation of any departures from Recommendations 4.1, 4.2, 4.3 or 4.4. The following material should be made publicly available, ideally by posting it to the company's website in a clearly marked corporate governance section: • the audit committee charter • information on procedures for the selection and appointment of the external auditor, and for the rotation of external audit engagement partners.	Yes (so far as applicable)	• <i>Audit committee</i>: See 4.1 above. • <i>Audit committee meetings</i>: N/A (see 4.1 above). • <i>Departures from 4.1, 4.2, 4.3, 4.4</i>: See 4.1-4.3 above. • <i>Audit committee charter</i>: N/A (see 4.3 above). • <i>Appointment, selection and rotation of external auditor</i>: Information on the appointment, selection and rotation of external auditor is available to the public on the Company's website at http://www.zeusresources.com/corporate-governance.asp under the heading "External audit" and in the IPO Prospectus dated 14 November 2012 (http://www.zeusresources.com/prospectus.asp) under the same heading at page 210.
5. Make timely and balanced disclosure		
5.1. Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies.	No	Due to the current size of the Company and the fact that the Company is only in the early stages of the development of its business, there are no written policies in place. The Company is however committed to providing relevant up-to-date information to its shareholders and the broader investment community in accordance with the continuous

		disclosure requirements under the ASX Listing Rules and the Corporations Act 2001. A formal written policy will be established within 12 months after listing. The Board has designated the Company Secretary as the person responsible for overseeing and coordinating disclosure of information to the ASX and shareholders as well as providing guidance to directors and employees on disclosure requirements and procedures. The Company has also recently appointed an Exploration Manager who has the qualifications and experience necessary to act as Competent Person with respect to technical announcements by the Company.
5.2. Companies should provide the information indicated in the Guide to reporting on Principle 5. <i>Guide to reporting on Principle 5</i> An explanation of any departures from Recommendations 5.1 or 5.2 should be included in the corporate governance statement in the annual report. The policies or a summary of those policies designed to guide compliance with Listing Rule disclosure requirements should be made publicly available, ideally by posting them to the company's website in a clearly marked corporate governance section.	Yes (so far as applicable)	• <i>Departure from 5.1 or 5.2:</i> See 5.1 above. • <i>Listing Rule disclosure policies:</i> N/A (see 5.1 above).
6. Respect the rights of shareholders		
6.1. Companies should design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose their policy or a summary of that policy.	No	Although the Company does not have a formal communications policy in place, all material matters will be disclosed to the market in accordance with the Listing Rules. A formal written policy will be established within 12 months after listing. The Company encourages shareholders to register for

		receipt of announcements and updates electronically.
6.2. Companies should provide the information indicated in the Guide to reporting on Principle 6. <i>Guide to reporting on Principle 6</i> An explanation of any departure from Recommendations 6.1 or 6.2 should be included in the corporate governance statement in the annual report. The company should describe how it will communicate with its shareholders publicly, ideally by posting the information on the company's website in a clearly marked corporate governance section.	Yes	• <i>Departure from 6.1 or 6.2:</i> See 6.1 above. • <i>Communication with shareholders:</i> See 6.1 above.
7. Recognise and manage risk		
7.1. Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies.	Yes	The Board is responsible for the oversight and management of all material business risks. The Board's collective experience will enable accurate identification of the principal risks that may affect the Company's business. Key operational risks and their management will be recurring items for deliberation as Board meetings. The risk profile can be expected to change and procedures adapted as the Company develops and it grows in size and complexity. The Board intends to continue to regularly review and approve the risk management and oversight policies of the Company.
7.2. The board should require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has reported to it as to the effectiveness	No (Under development)	A formal risk management and internal control system has not been appropriate to the nature and scale of the Company in the early stages of its development. Moving forward as a listed company, the Board and management expects to finalise development of a formal risk

	of the company's management of its material business risks.		management policy and appropriate internal control systems during the 12 months after listing.
7.3.	The board should disclose whether it has received assurance from the chief executive office (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	See 7.2	For the reasons given at 7.2 above, no such declaration has been requested, made or required.
7.4.	Companies should provide the information indicated in the Guide to reporting on Principle 7. <i>Guide to reporting on Principle 7</i> • explanation of any departures from Recommendations 7.1, 7.2, 7.3 or 7.4 • whether the board has received the report from management under Recommendation 7.2 • whether the board has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) under Recommendation 7.3. The following material should be made publicly available, ideally by posting it to the company's website in a clearly marked corporate governance section: • a summary of the company's policies on risk oversight and management of material business risks.	Yes	• <i>Departures from Recommendations 7.1, 7.2, 7.3, 7.4:</i> See 7.2-7.3 above. • <i>Report and assurances in Recommendations 7.2 and 7.3:</i> See 7.2-7.3 above. • <i>Public information:</i> A summary of the company's policies on risk oversight and management is available at http://www.zeusresources.com/corporate-governance.asp under the heading "Identification and management of risk" and in the IPO Prospectus dated 14 November 2012 (http://www.zeusresources.com/prospectus.asp) under the same heading at page 210.
8. Remunerate fairly and responsibly			
8.1.	The Board should establish a remuneration committee.	No	As mentioned in 2.5 above, the Company does not have in

		place a separately constituted remuneration committee due to the size and current operations of the Company. The full Board will take on the responsibilities of a remuneration committee until such time as it is sensible to establish one.
8.2. The remuneration committee should be structured so that it: • consists of a majority of independent directors; • is chaired by an independent chair; • has at least three members.	N/A	The Company does not currently have a remuneration committee.
8.3. Companies should clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives.	Yes	The remuneration of an executive director will be decided by the Board, without the affected executive director participating in that decision-making process. The only current executive director is the chief executive director, Mr Ian de Renzie Duncan. The total maximum remuneration of non-executive directors will be set at the 2013 AGM. Any increases will be the subject of a shareholder resolution in accordance with clause 13.8 of the Company's constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive directors' remuneration within that maximum amount will be made by the Board, having regard to the inputs and value to the Company of the respective contributions by each non-executive director.
8.4. Companies should provide the information indicated in the Guide to reporting on Principle 8. <i>Guide to reporting on Principle 8</i> • the names of the members of the remuneration committee and their attendance at meetings of the committee, or where a company does not have a remuneration committee, how the functions of a remuneration committee are	Yes	• <i>Remuneration committee:</i> N/A (see 8.1 above). • <i>Retirement benefit schemes:</i> There are no such schemes (other than superannuation) in place for non-executive directors of the Company. • <i>Departures from 8.1, 8.2, 8.3 or 8.4:</i> See 8.1, 8.2 above. • <i>Remuneration committee charter:</i> N/A (see 8.1 above).

carried out - the existence and terms of any schemes for retirement benefits, other than superannuation, for non-executive directors - an explanation of any departures from Recommendations 8.1, 8.2, 8.3 or 8.4. The following material should be made publicly available, ideally by posting it to the company's website in a clearly marked corporate governance section: - the charter of the remuneration committee or a summary of the role, rights, responsibilities and membership requirements for that committee - a summary of the company's policy on prohibiting entering into transactions in associated products which limit the economic risk of participating in unvested entitlements under any equity-based remuneration schemes.		<i>Policy on prohibiting associated product transactions:</i> The Company's Securities Trading Policy prohibits all directors, executives who report directly to the Managing director and any other employees (including contractors) considered necessary or appropriate by the Managing Director and Company Secretary (Policy Personnel) from entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements under any equity based remuneration schemes. Policy Personnel must not enter into transactions or arrangements which operate to limit the economic risk of their security holding in the Company without first seeking and obtaining prior written clearance from the appropriate "Approving Officer" (the Chairman, Managing Director, Chief Financial Officer, Company Secretary or Chairman of the Audit & Risk Management Committee as applicable and depending on the circumstances). The Policy does not apply to: - transfers of securities already held into a superannuation fund or other saving scheme in which the director, officer or employee is a beneficiary; - certain funds and schemes where the assets are invested at the discretion of a third party; - circumstances where the Policy Personnel is a trustee, provided that he or she is not a beneficiary, and subject to certain other limitations; - undertakings to accept takeover offers; - circumstances where the trading offers or invitations were made to all or most security holders (such as rights issues, security purchase
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		plans and similar products); vi) disposals of securities resulting from secured lenders exercising their rights; vii) the exercise of options or rights (other than the sale of securities following exercise) under employee incentive schemes, or the conversion of convertible securities in certain circumstances during “exceptionally long” Blackout Periods; viii) trading under non-discretionary trading plans for which prior written clearance has been provided in accordance with the Securities Trading Policy and only in certain circumstances.
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