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ACN: 623652 522

CORPORATE DETAILS

ASX Code: SLZ

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SULTAN RESOURCES

ASX ANNOUNCEMENT

15th April 2020

DRILL RESULTS FROM THE WA WHEATBELT LAKE GRACE PROJECT HIGHLIGHT THE POTENTIAL FOR A LARGE SHALLOW GOLD SYSTEM AT THE CHALLENGER PROSPECT

Highlights

- **4m gold assay results received for the gravity Reverse Circulation drilling programme completed at the Challenger Prospect in SLZ's Lake Grace Gold Project**
- **Numerous intervals of gold-mineralised mafic rocks intersected – similar rock-types host gold mineralisation at nearby gold deposits**
- **Best Results include:**
  - **Hole 17:**
    - **4m @ 0.55 g/t Au from 34m**
    - **18m @ 0.42 g/t Au from 58m,**
      - **Incl. 4m @ 1.06g/t from 58m**

    Note: All intercept widths are down-hole thicknesses
- **The Challenger Prospect now boasts ~600m of strike of >0.5g/t Au bedrock intercepts**
- **Regional structures indicate real potential for multiple gold systems across SLZ's Lake Grace portfolio**
- **WA wheatbelt region is growing as a gold mineralisation district, including the Tampia, Katanning and Griffen's Mine deposits**

The Board of Sultan Resources Ltd (**Sultan** or the **Company**) is pleased to inform shareholders that the first batch of gold assay results have been received from the Company's Reverse Circulation ('RC') drilling program targeting gravity anomalies at the Challenger Gold Prospect in the company's Lake Grace portfolio[6].

Significant Results

During February 2020, the Company completed 5 RC holes for 991m targeting peak gravity anomalies in positions down dip and along strike of the Challenger gold mineralisation discovered by the Company in 2019[8]. The drill program was designed to test the anomalies revealed by the Company's recent ground gravity survey at Lake Grace[6] where three-dimensional inversion modelling undertaken on the gravity data showed peak density bodies that appear geophysically similar to the sulphidic mafic gneiss that hosts the bulk of gold mineralisation at the nearby Tampia deposit[4]. Drilling by Sultan in 2019 intersected sulphide-banded mafic gneiss hosting gold mineralization dipping shallowly towards the gravity anomalies defined by the ground gravity survey[5]. All holes drilled in the recent program intersected very thick down-hole intervals

(up to at least 191m) of mafic material displaying persistent zones of disseminated sulphides and numerous intervals of granular quartz-rich bands often displaying sulphidic margins with the mafic rocks[8].

The company has now received the gold fire assay results from the 4m composite samples, which show a number of significant gold-mineralised intervals that are similar in thickness and tenor to those revealed in the initial drilling campaign by Sultan in 2019.

Significant intersections include:

Hole ID	From (m)	To(m)	Interval (m)	Gold Grade g/t
20SLGR13	175	179	4	0.16
20SLGR15	59	63	4	0.19
20SLGR16	44	48	4	0.12
	116	120	4	0.15
	131	134	3	0.17
	147	159	**12**	0.14
20SLGR17	**34**	**50**	**16**	0.27
incl.	34	38	4	**0.55**
	58	76	**18**	0.42
incl.	58	62	**4**	**1.06***
	88	92	4	0.22
	126	129	3	0.37
	192	200	8	0.16

*Table 1: Table of significant intersections of 4m composite assays from the recent RC drill program. Intervals have been calculated using a >0.1g/t cut-off, with no more than 4m of internal dilution. All intercept thicknesses are down-hole thicknesses. A full table of significant intersections >0.1g/t Au is presented in Appendix 1. *see note in Appendix 1*

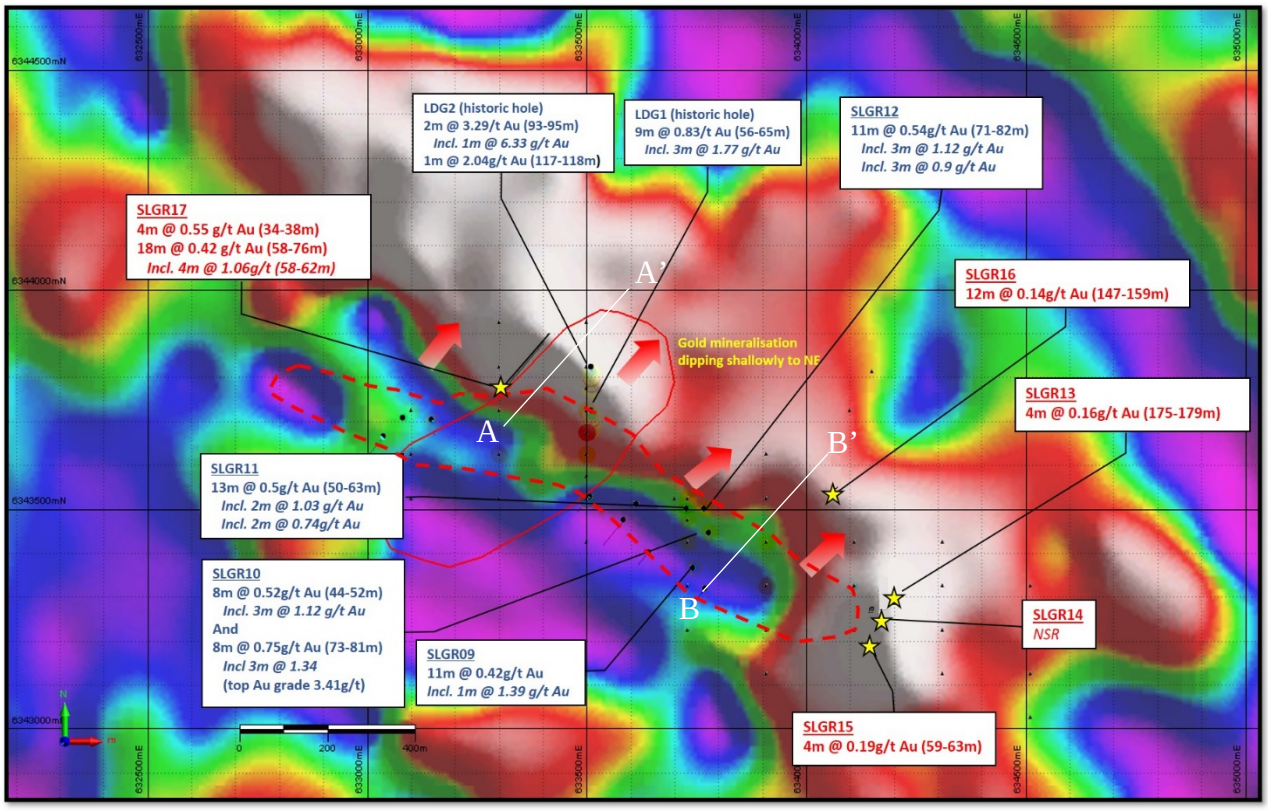

Figure 1: Plan view of the Challenger Prospect showing significant intersections (red text boxes) of the recent RC drill program (yellow stars). The highlights of significant intercepts from recent[5] and historic drilling[1] (blue text boxes) and the large historic aircore gold anomaly (red dashed outline) are also displayed.

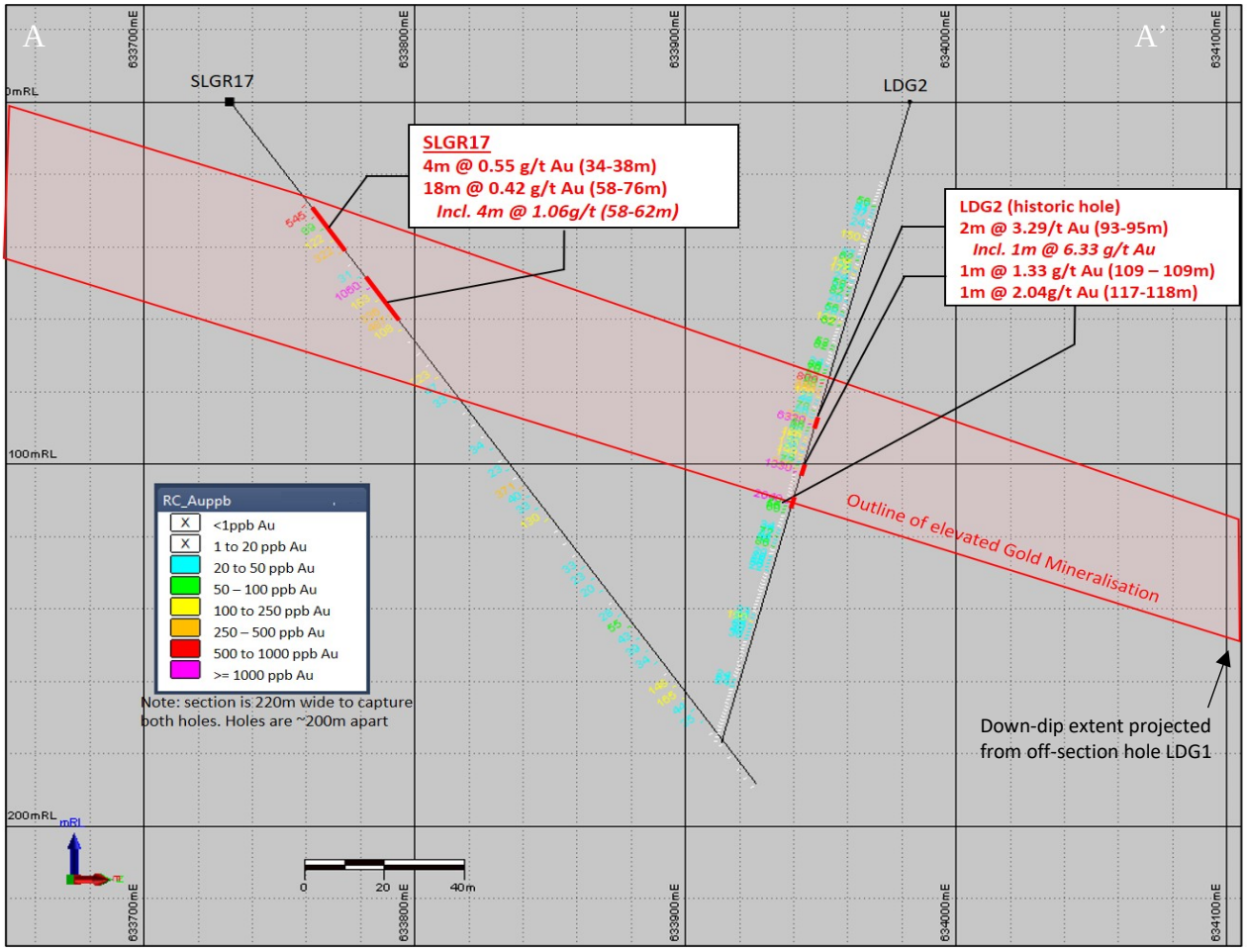

Figure 2: Cross-section, looking northwest, through recent holes 20LGR17 and historic diamond hole LDG02. The red outline highlights a zone of elevated gold (+0.1g/t Au) with an open down-dip extent of ~300m that contains several +1g/t zones.

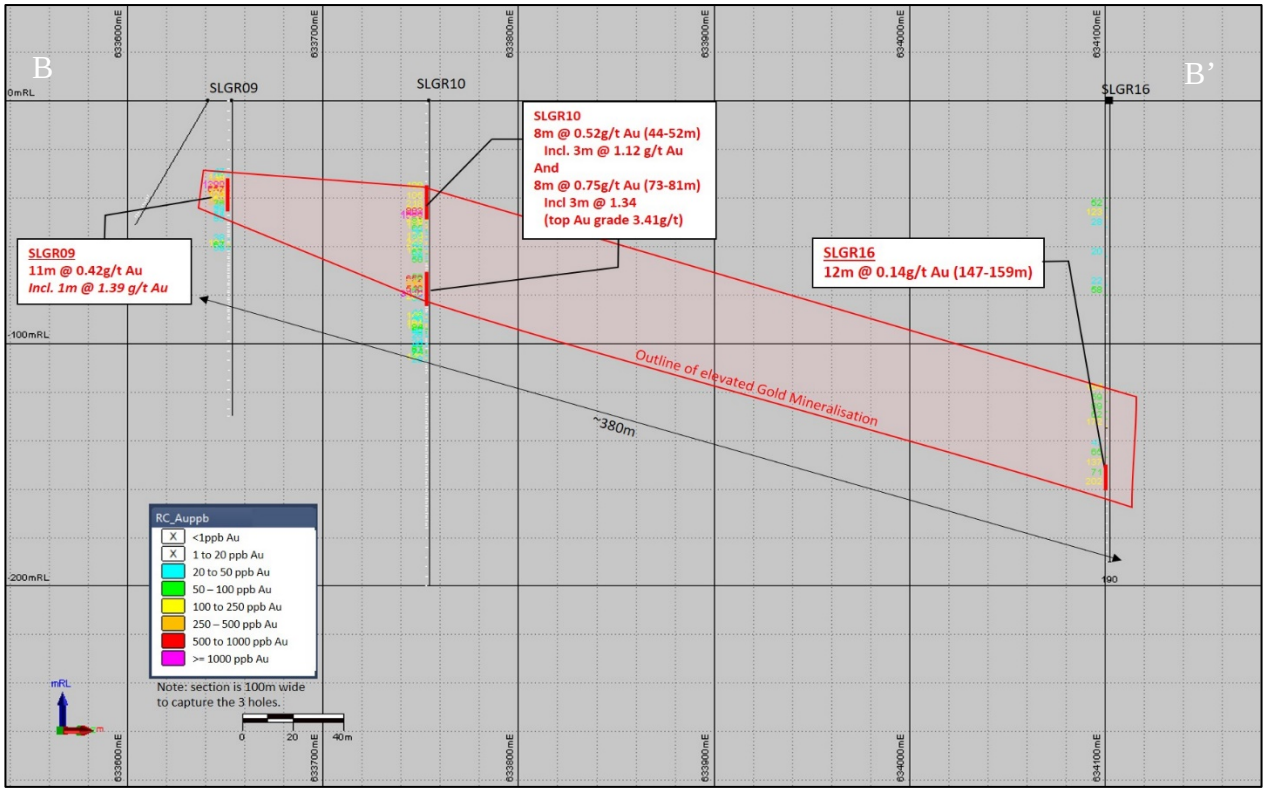

Figure 3: Cross-section, looking northwest, through previous holes 19LGR09 and 10 and 12 and recent hole 20SLGR16 showing the down-dip extent of elevated gold mineralisation some 580m southeast from Section A-A' in Figure 2.

Discussion of Results

The results of the latest drilling program have confirmed that gold mineralising processes have occurred on a significant scale at Challenger. The drilling continued to intersect thick zones of gold-anomalous mafic rocks and has extended the strike of the higher-grade zone, where thick intervals of mineralization over 0.5g/t occur, to over 600m. Within these intervals, bands spanning 1 to 4m in excess of 1g/t Au are commonly intersected (Figures 2 & 3).

The drilling has also extended the broader Challenger gold footprint, with gold grades of over 0.1g/t intersected in holes 20SLGR13 and 20SLGR15. Coupled with the historic aircore drilling[1], these results extend the strike extent of the +0.1g/t Au anomalous area to over 1.2km. The drilling has also extended the down-dip length, with hole 20SLGR16 intersecting significant +0.1g/t gold at a vertical depth of about 150m (Table 1, Figure 3). This intersection is interpreted to represent the down dip extent of mineralization intersected in hole 19SLGR9 and 19SLGR10[5] (Figure 3) and extends the down-dip extent of the elevated gold zone to over 380m. Figure 2 also shows the dip extent of higher-grade gold to extend to at least 300m from hole 20SLGR17 through historic hole LDG2.

These bedrock gold intersections correlate with the shallower aircore anomalism to define a huge volume of gold-mineralised mafic rocks with a shallow dip towards the northeast that remains open, and untested, in all directions.

Regional Potential

The definition of such a significant gold system at Challenger has broader regional exploration implications for Sultan. Challenger lies at the southeastern end of Sultan's Lake Grace portfolio and marks the start of a northwesterly-trending series of occurrences of gold anomalous mafic rocks as defined by historic exploration by North[1] (Figure 4 & 5). A number of these prospects have undergone aircore drilling and have shown gold elevated over 0.1g/t in mafic lithologies. Further north, exploration by Associated Goldfields[7] in the 1980's discovered high-grade gold surface samples of up to 35g/t Au, 21g/t Au and 16g/t Au (Figure 5). This sixteen samples taken in this area averaged 12.67g/t Au[7]. The company mapped a large area of mafic granulite rock types in the area and subsequent magnetic surveys reveal the lithology to be complexly folded and requiring follow up to locate the source of the high-grade gold (Figure 5). This site is within Sultan's tenements, some 40km along strike to the northwest from Challenger. The presence of such a significant gold-mineralisation event at Challenger demonstrates the potential fertility of the region, particularly along the line of gold anomalous mafic rocks extending for over 40km in Sultan's portfolio.

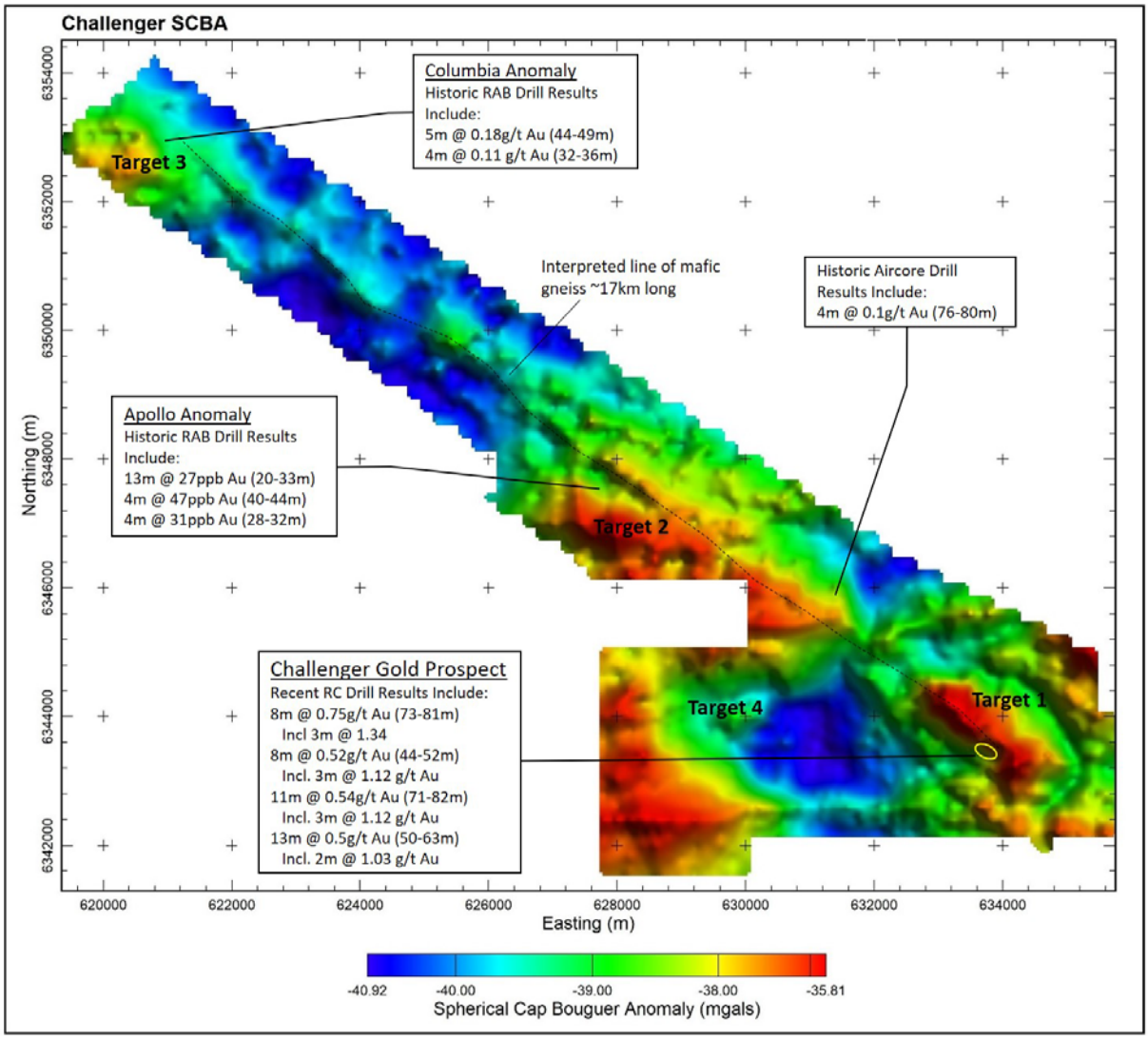

Figure 4. Proposed exploration targets for the Challenger gravity survey with recent and historic significant gold results

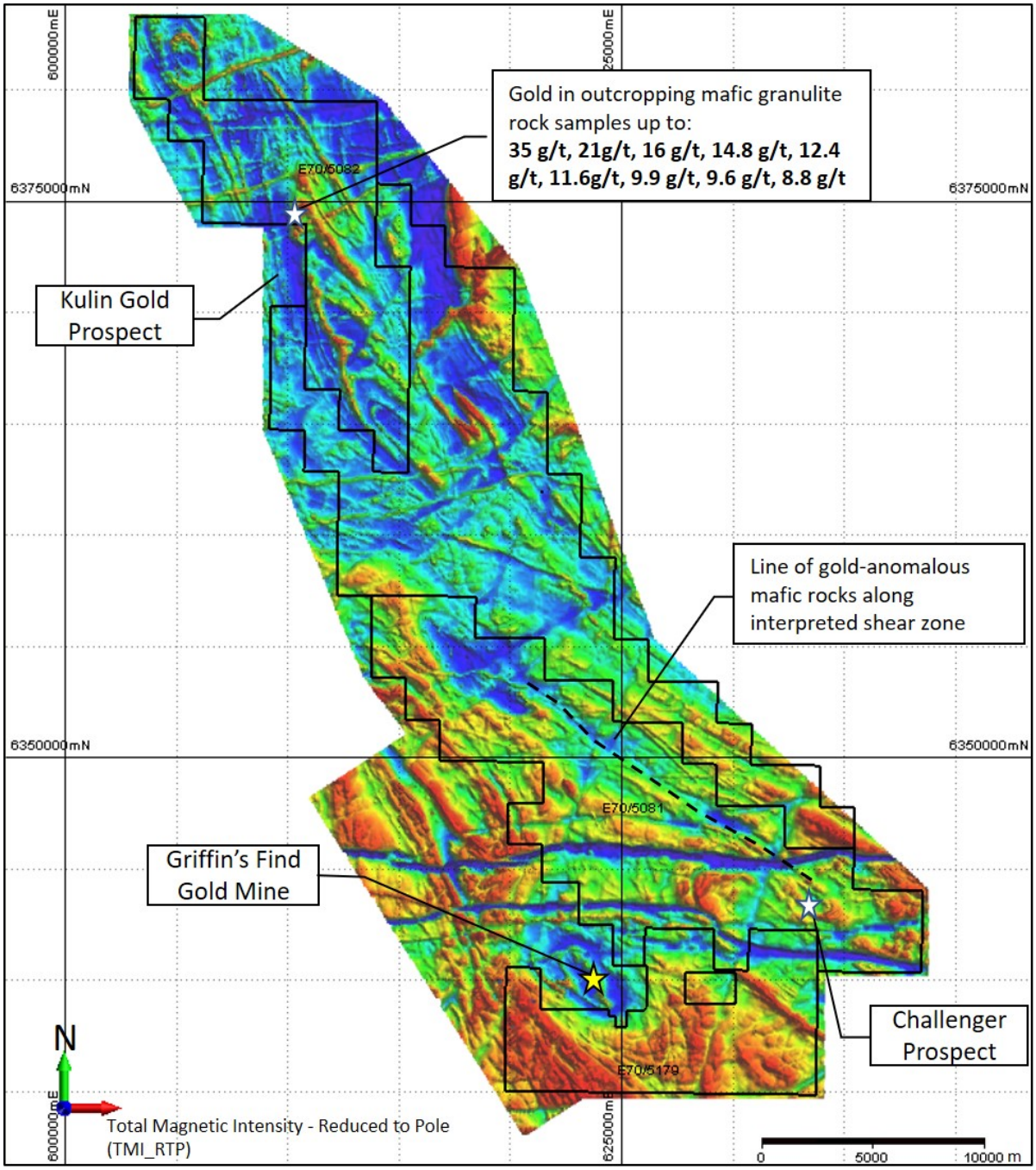

Figure 5: Regional magnetic image of Sultan's Lake Grace portfolio. The Challenger Prospect, located in the southeast, marks the start of a northwest-trending zone of gold-anomalous mafic rocks associated with major NW-trending features interpreted to indicated major shearing. The evidently strongly folded stratigraphy at the Kulin Gold Prospect is coincident of historic surface samples of high-grade gold.

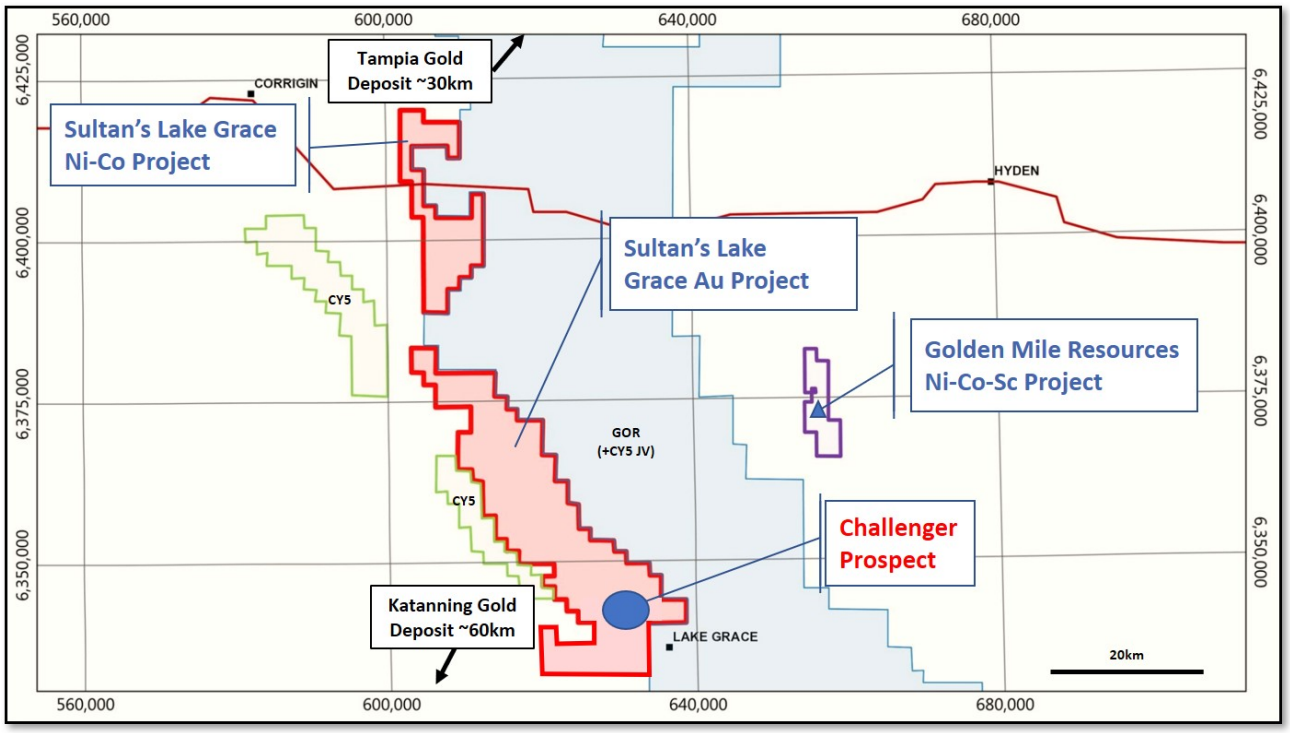

Figure 6: Sultan's Lake Grace Project showing the location of the Challenger Prospect (blue dot)

Sultan will keep the market informed as exploration progresses across the Lake Grace project.

Authorised by the Board of Sultan for release.

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References:

1 North Limited - Public Company Report A45226: "*Final Report on Exploration Licences E70/1367 & E70/1368*" August 1995
2 Explaurum Limited – Company Presentation: "*Unlocking Wheatbelt Gold*", 03/08/2018
3 Ausgold Limited – ASX Release: "*Katanning Gold Project Resource expanded to 1.04 million ounces*" 26/11/2018
4 Explaurum Limited – ASX Release: "*Independent Expert's Report*" 17/01/2019
5 Sultan Resources – ASX Release: "*First Gold Assay Results Complete*"16/05/2019
6 Sultan Resources – ASX Release: *"Exceptional Results Highlight Gold Potential at Lake Grace"* 29/10/2019
7 Associated Goldfields – Public Company Report A19545: "*Final Report on Exploration Licence E70/180*" August 1995
8 Sultan Resources – ASX Release: "*RC Drill Program Testing Gravity Targets Completed"* 17/02/2020

Competent Persons Statement

The information in this report that relates to Exploration Targets and Exploration Results is based on historical exploration information compiled by Mr Steven Groves, who is a Competent Person and a Member of the Australian Institute of Geoscientists. Mr Groves is Managing Director and a full-time employee of Sultan Resources Limited. Mr Groves has sufficient experience that 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 the reporting of

Exploration Results, Mineral Resources and Ore Reserves". Mr Groves consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources is based on information announced to the market by Explaurum Limited on 17 January 2019 (Tampia) and Ausgold Limited on 26 November 2018 (Katanning). Sultan confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements, and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

About Sultan Resources

Sultan Resources is a West Australian focused exploration company with a portfolio of quality assets in emerging discovery terranes currently targeted by successful explorers such as Gold Road Resources, Sandfire Resources and Lodestar Minerals. Sultan's tenement portfolio includes prospective targets for gold, Nickel, Cobalt and base metals and include tenements at Thaduna, Lake Grace, East Tallering and Dawallinu, all located within the southern terrane region of the Yilgarn Craton in south and south eastern Western Australia. Sultan's board and management strategy is for a methodical approach to exploration across the prospects in order to discover gold and base metals that may be delineated via modern exploration techniques and exploited for the benefit of the company and its shareholders.

Appendix 1: Collar details of all Reverse Circulation Holes drilled by Sultan at Challenger

Hole ID	East MGA94	North MGA94	Depth (m)	Dip	Azimuth	RL (masl)	Comment
19SLGR01	633037	6343665	100	-60	220	275	
19SLGR03	633082	6343709	246	-90	220	275	
19SLGR02A	633146	6343704	200	-80	170	272	driller set up on wrong dip, redrilled as 19SLGR02A
19SLGR04	633507	6343529	138	-70	220	277	
19SLGR07	633640	6343402	114	-70	220	270	re-entry failed due to collapsing quartz sands
19SLGR11	633727	6343502	168	-90	220	0	
19SLGR09	633743	6343366	130	-90	220	0	
19SLGR10	633779	6343446	200	-90	220	270	
19SLGR08	633769	6343319	120	-60	220	278	
19SLGR05	633584	6343475	150	-60	220	278	
19SLGR06	633614	6343512	46	-90	0	275	stopped due to collapsing quartz sands and blown collar
19SLGR12	633765	6343500	191	0	0	278	
20SLGR13	634201	6343281	190	0	0	278	
20SLGR14	634169	6343237	190	0	0	278	
20SLGR15	634144	6343186	190	0	0	278	
20SLGR16	634046	6343545	230	-55	40	278	
20SLGR17	633312	6343776	191	0	0	278	

Appendix 2: Significant intersections of recently drilled Reverse Circulation Holes

Intervals have been calculated using a >0.1g/t cut-off, with no more than 2m of internal dilution. All intercept lengths are down-hole lengths

Hole ID	From (m)	To(m)	Interval (m)	Gold Grade g/t
19SLGR2	30	34	4	0.16
19SLGR2a	27	28	1	0.10
19SLGR4	40	41	1	0.18
19SLGR9	**31**	**42**	**11**	**0.42**
Incl.	**32**	**33**	**1**	**1.39**
	58	59	1	0.10
19SLGR10	**44**	**52**	**8**	**0.52**
incl.	45	48	**3**	**1.12**
	55	62	7	0.12
	73	**81**	**8**	**0.75**
incl.	77	81	**3**	**1.34**
incl.	79	80	**1**	**3.41**
19SLGR11	**50**	**63**	**13**	**0.50**
incl.	53	55	**2**	**1.03**
incl.	57	59	**2**	**0.74**
	88	95	7	0.15
	103	106	3	0.12
19SLGR12	**71**	**82**	**11**	**0.54**
incl.	72	74	**2**	**1.00**
incl.	78	81	**3**	**0.90**
	120	126	6	0.11
20SLGR13	175	179	4	0.16
20SLGR15	59	63	4	0.19
20SLGR16	44	48	4	0.12
	116	120	4	0.15
	131	134	3	0.17
	147	159	**12**	0.14
20SLGR17	**34**	**50**	**16**	0.27
incl.	34	38	4	**0.55**
	58	76	**18**	**0.42**
incl.	58	62	**4**	**1.06***
	88	92	4	0.22
	126	129	3	0.37
	192	200	8	0.16

*Note: Re-assays of the 4m composite sample SLG2651-2654 Comp have produced a range of gold results from 162ppb to 1060ppb Au indicating a nugget effect likely resulting from coarse gold occurrence in this sample at Challenger. Verification of the validity of the sample results has been undertaken at Bureau Veritas and the laboratory have confirmed that it is appropriate to report this result.

Appendix 3: Details of nearby, publicly reported gold resources referred to in this document

Katanning - Ausgold Limited											
Measured			Indicated			Inferred			Total		
Tonnes	Grade g/t Au	Ounces Au	Tonnes	Grade g/t Au	Ounces Au	Tonnes	Grade g/t Au	Ounces Au	Tonnes	Grade g/t Au	Ounces Au
2,068,200	2.15	142,890	8,287,500	1.28	340,320	14,739,800	1.17	555,750	**25,095,500**	**1.29**	**1,038,960**
Ausgold Limited ASX Release: "Katanning Gold Project Resource expanded to 1.04 million ounces" 26/11/2018											
Tampia - Explaurum Limited											
Measured			Indicated			Inferred			Total		
Tonnes	Grade g/t Au	Ounces Au	Tonnes	Grade g/t Au	Ounces Au	Tonnes	Grade g/t Au	Ounces Au	Tonnes	Grade g/t Au	Ounces Au
-	-	-	9,800,000	1.8	580,000	2,000,000	1.6	90	**11,700,000**	**1.8**	**675,000**
Mace - Explaurum Limited											
Measured			Indicated			Inferred			Total		
Tonnes	Grade g/t Au	Ounces Au	Tonnes	Grade g/t Au	Ounces Au	Tonnes	Grade g/t Au	Ounces Au	Tonnes	Grade g/t Au	Ounces Au
-	-	-	-	-	-	400,000	1.4	20,000	**400,000**	**1.4**	**20,000**
Explaurum Limited ASX Release: "Independent Expert's Report" 17/01/2019											

Appendix 4: JORC Code, 2012 Edition Table 1 - Lake Grace Project

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature & quality of sampling (e.g. 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.* • *Include reference to measures taken to ensure sample representivity & the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	• Geochemical samples were taken from drill chips produced by a reverse circulation (RC) drill rig. Samples were split from the sample stream every metre as governed by metre marks on the drill string, by a cone splitter approximating between 7-13% of the full metre of sample. The dust box was used to control the flow of chips to the cone splitter. • Duplicates were taken every metre from the alternate sample opening on the cone splitter. This gave flexibility to where field duplicates were introduced into the geochemical sampling stream to the lab and allowed for compositing at any depth or interval. • On a regular basis both sample and duplicate were weighed with a simple hook based hand held scale to check for representivity of both the metre sampled and the duplicate. This weight was not recorded, rather used as an in-filed measure to alert drillers of issues with the cone splitter and drilling. • Samples were collected in calico bags – each bag weighed approximately 1-3kg. • A small (1-2 teaspoon sized) representative sample was kept of each metre for record purposes.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) & details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented & if so, by what method, etc.).*	• Reverse Circulation drilling was used to obtain 1m samples for the purpose of geological logging and geochemistry. Compositing was performed for some geochemical samples (see elsewhere in this table) • RC sampling completed using a 5.5" diameter drill bit with a face sampling hammer. RC drilling rigs were equipped with a booster compressor.

Criteria	JORC Code explanation	Commentary
Drill sample recovery	• *Method of recording & assessing core & chip sample recoveries & results assessed.* • *Measures taken to maximise sample recovery & ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery & grade & whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• RC Drillers were advised by geologists of the ground conditions expected for each hole and instructed to adopt an RC drilling strategy to maximize sample recovery, minimize contamination and maintain required spatial position. • Sample recovery is approximated by assuming volume and rock densities for each metre of the drill hole and back referencing to this for individual metres coming from the cone splitter.
Logging	• *Whether core & chip samples have been geologically & geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies & metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* • *The total length & percentage of the relevant intersections logged.*	• All drilling in this ASX release is by reverse circulation (RC). RC holes are geologically logged on a 1m interval basis. Where no sample is returned due to voids or lost sample, it is logged and recorded as such. The weathering profile is logged with no washing/sieving as well as washed/sieving to identify the transition into fresh rock and to identify unweathered quartz veins. In fresh rock all RC chips are logged by washing/sieving. • Geological logging is qualitative and quantitative in nature. • Visual estimations of sulphides and geological interpretations are based on examination of drill chips from a reverse circulation (RC) drill rig using a 20x hand lens during drilling operations. Chips are washed and sieved prior to logging. • It should be noted that whilst % mineral proportions are based on standards as set out by JORC, they are estimation only and can be subjective to individual geologists to some degree.
Sub-sampling techniques & sample preparation	• *If core, whether cut or sawn & whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc.& whether sampled wet or dry.* • *For all sample types, the nature, quality & appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	• Geochemical samples were taken from drill chips produced by a reverse circulation (RC) drill rig. All sampling techniques are described above. The nature and quality of the sampling technique was considered appropriate for the drilling technique applied and for the geochemical analysis sought. • As described above a cone splitter was used to split samples from the RC sample stream. The cone splitter was levelled prior to drilling and this level was checked at regular intervals throughout the drilling of each drill hole to ensure representivity of sample.

Criteria	JORC Code explanation	Commentary
	• *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• A field duplicate was taken for every metre sampled and both duplicate and original sample were checked in an approximate manner for weight/size as a quick measure of sample representivity and thus if the cone splitter was working adequately. • Field duplicates were introduced into the geochemical sample submission at approximately 1 in 20 samples or 5% of the sample stream. • Prior to analysis, samples were split into those that needed to be composited and those that did not, the latter generally being those zones of geological interest or zones of potential mineralisation. • All compositing was completed in the laboratory by laboratory controlled riffle splitters normally used for splitting samples after crushing. It is the experience of the geologist that a lab controlled environment produces a far more representative split of each metre sample than what can be achieved in the field by hand. • Where intervals were composited, the compositing represents 4 m of 1 m RC samples, except at the end of the interval where the 'left-over' could represent 2 or 3 m of 1 m RC samples. • Blanks and laboratory-introduced geochemical standards focussed on gold were introduced into the sample stream at the rate of 1 in 20 or 5% or at smaller intervals. • At the lab, samples were crushed to a nominal 2mm using a jaw crusher before being split using a rotary splitter into 400-700g samples for pulverising. • Samples were pulverised to a nominal >90% passing 75 micron for which a 100g sample was then selected for analysis. A spatula was used to sample from the pulverised sample for digestion. • The Bureau Veritas geochemical laboratories in Perth use their own internal standards and blanks as well as flushing and cleaning methods accredited by international standards.

Criteria	JORC Code explanation	Commentary
		• Sample sizes and splits are considered appropriate to the grain size of the material being sampled as according to the Gi standard formulas.
Quality of assay data & laboratory tests	• *The nature, quality & appropriateness of the assaying & laboratory procedures used & whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make & model, reading times, calibrations factors applied & their derivation, etc.* • *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) & whether acceptable levels of accuracy (i.e. lack of bias) & precision have been established.*	• Geochemical analyses performed consisted of a four-acid digestion and/or peroxide fusion before Inductively Coupled Plasma Mass Spectrometer (ICPMS) or Inductively Coupled Plasma Atomic Emission Spectrometer (ICPAES). This technique is considered a total analysis. • All standards, blanks and field duplicate procedures are described above. • Acceptable levels of accuracy for the data have been achieved and are considered within expectations for geochemical sampling of RC drilling and show no significant bias towards the positive or negative.
Verification of sampling & assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical & electronic) protocols.* • *Discuss any adjustment to assay data.*	• Verification of significant intersections as shown by the results of geochemical analyses has been made via employees of Sultan Resources internally. • There were no dedicated twinned holes in this drilling program. • All geological and geochemical data has been checked by both Sultan Resources employees and Zephyr Professional Pty Ltd consultants. All geological and drilling data has been entered into a Sultan Resources Access database.
Location of data points	• *Accuracy & quality of surveys used to locate drill holes (collar & down-hole surveys), trenches, mine workings & other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality & adequacy of topographic control.*	• All collar locations presented were finalised using a hand-held differential GPS (DGPS) with base station (currently an Austech ProMark500 and ProFlex500). Accuracy of the DGPS is approximately to 100mm in the vertical and 50mm on the horizontal. • MGA94, Zone 50 • Elevation were in AHD (MGA94, Zone 50)
Data spacing & distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing & distribution is sufficient to establish the degree of geological & grade continuity appropriate for the Mineral Resource & Ore Reserve estimation procedure(s)&classifications applied.* • *Whether sample compositing has been applied.*	• Drilling has been for exploration only, spacing varies between targets.

Criteria	JORC Code explanation	Commentary
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures & the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation & the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed & reported if material.*	• Drill angle details are given in the text and tables of the ASX announcement. Orientation was determined according to the expected orientation of the exploration target.
Sample security	• *The measures taken to ensure sample security.*	• All geochemical samples were selected by geologists in the field and sent directly to the laboratory from the field via a delivery truck , packaged in bulker bags. Results of geochemical analysis were sent directly to the project geologist for entering into the Access database and for analysis.
Audits or reviews	• *The results of any audits or reviews of sampling techniques & data.*	• Not applicable

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement & land tenure status	• *Type, reference name/number, location & 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 & environmental settings.* • *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.*	• The Lake Grace Project lies in the eastern wheatbelt, approximately 250km east-southeast of Perth. The Project comprises five Exploration Licences (70/5081, 70/5082, 70/5085, 70/5095 and 70/5179) covering an area of approximately 690km^2 over or near the prospective Yandina Shear Zone which is known to host gold mineralisation elsewhere in the Southwest Terrane. All licences are held 100% by Sultan Resources The Lake Grace tenements are subject to Native Title Claim by the Ballardong People (WAD6181/1998). The North Tarin Rock Nature Reserve has a trivial impact the western margin E70/5081.
Exploration done by other parties	• *Acknowledgment & appraisal of exploration by other parties.*	• Previous exploration over the Lake Grace applications has been limited. Work reported was generally generative in nature and at a reconnaissance level. The most detailed exploration was undertaken by North Ltd during the 1990's and is considered to have been performed to a high standard.

Criteria	JORC Code explanation	Commentary
Geology	• *Deposit type, geological setting & style of mineralisation.*	The Project lies in the Lake Grace Domain of the Southwest Terrane. It is comprised of granulite facies granitic gneisses, gneissic remnants of greenstone belts, charnokitic granites and post-tectonic granites. The greenstone rock sequences are metamorphosed to high-grade upper amphibolite to granulite facies. Structurally-controlled gold mineralisation occurs broadly as multiple, well-defined stacked elongate to ellipsoidal lodes that vary in size from 1-10 m thick, 50-150 m wide (east-west) and 50-200 m long (north-south) that have undergone post-mineralisation deformation. The gneissic package dips between 35° to 40° to the southeast and strikes 040°. The host rocks form an open synform that plunges 30° toward 120°.
Drill hole Information	• *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:* o *Easting & northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip & azimuth of the hole* o *down hole length & interception depth* o *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material & this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	A table of the Recent RC drill hole collar details is included in Appendix 1.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades)&cut-off grades are usually Material & should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results & longer lengths of low grade results, the procedure used for such aggregation should be stated & some typical examples of such aggregations should be shown in detail.*	• Tables of significant intervals have been cited in the text of the document. Significant Intervals have been calculated using a >0.1g/t cut-off, with no more than 4m of internal dilution (where intervals comprised 4m composites). Weighting was calculated where intervals of different length contributed to a continuous mineralised intersection. Weighting has been calculated by multiplying the length of each sample interval by the result and adding each product across the entire sample interval before dividing the total by the total sample interval length to find an average gold grade.

Criteria	JORC Code explanation	Commentary
	• *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
Relationship between mineralisation widths & intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known & only the down hole lengths are reported, there should be a clear statement to this effect (e.g.'down hole length, true width not known').*	• No true widths have been stated in this ASX release, all relate to downhole intercept lengths. • The main zones of mineralisation are interpreted to be shallow-dipping to the northwest, and drill holes were either drilled at steep angles to the southwest, or vertical.
Diagrams	• *Appropriate maps & sections (with scales)&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 & appropriate sectional views.*	• See drill hole location map accompanying this ASX release.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low & high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Only observations are reported, see data details above for further information
Other substantive exploration data	• *Other exploration data, if meaningful & material, should be repported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size&method of treatment; metallurgical test results; bulk density, groundwater, geotechnical & rock characteristics; potential deleterious or contaminating substances.*	• No other exploration data collected is considered material to this announcement.
Further work	• *The nature & scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations & future drilling areas, provided this information is not commercially sensitive.*	• The focus on future work will be to further define the extents of gold mineralisation and to also search for higher-grade zones within the extents of the mineralised area.Techniques such as detailed ground geophysics and further drilling will be used to achieve this.