

27th August 2020

➤ **3D MAGNETIC INVERSION MODEL ENHANCES
BIG HILL PORPHYRY AU-CU TARGET**

➤ **IP SURVEY COMPLETED AT RINGAROO; MOVING TO
TUCKLAN**

- **Reprocessing and inversion of high quality heli-magnetic data defines a prominent large-scale magnetic body beneath surface Au-Cu geochemical anomalies at Big Hill**
- **Magnetic body interpreted as an underlying intrusive complex, possible source for high grade surface mineralisation at Big Hill (up to 2.50% Cu) and Gowan Green (up to 24.6g/t Au & 26.1% Cu)**
- **Geological mapping, soil and rock chip sampling extended to cover new targets defined to the east of Big Hill, results awaited**
- **Induced Polarization (IP) surveying completed at the high priority Ringaroo Porphyry Au-Cu target, results pending. Results from infill and extension soil sampling at Ringaroo also pending**
- **IP set to commence testing surface gold anomalies at the Tucklan Epithermal Gold target.**

Sultan Resources Limited (ASX: SLZ) (**Sultan** or **Company**) is pleased to provide an update on significant exploration programs currently underway at the Company's Lachlan Fold Belt ("LFB") Porphyry Au-Cu and epithermal gold projects in NSW.

Sultan has continued to evaluate and advance its priority LFB projects with a view to identifying drill targets with high potential to host porphyry-style Au-Cu and/or epithermal gold mineralisation across three highly prospective targets at Big Hill, Ringaroo and Tucklan. Recent work has included the re-processing and 3D inversion of a heli-magnetic survey completed by a previous explorer over the Big Hill target area in 2013 (ASX Announcement 29/04/2013), the completion of IP surveying at Ringaroo and further geological mapping, soil and rock sampling at both Ringaroo and Big Hill. IP surveying will



now commence at the Tucklan project, with Big Hill scheduled for later in the year after cereal crop harvest.

The results of the new magnetic interpretation at Big Hill are particularly encouraging and show a prominent magnetic feature that is spatially related to surface geochemical anomalism providing further support for an intrusive-related source for mineralisation at the prospect.

All soil and rock samples from both Big Hill and Ringaroo have been submitted to ALS in Orange and results are expected within approximately 4 weeks.

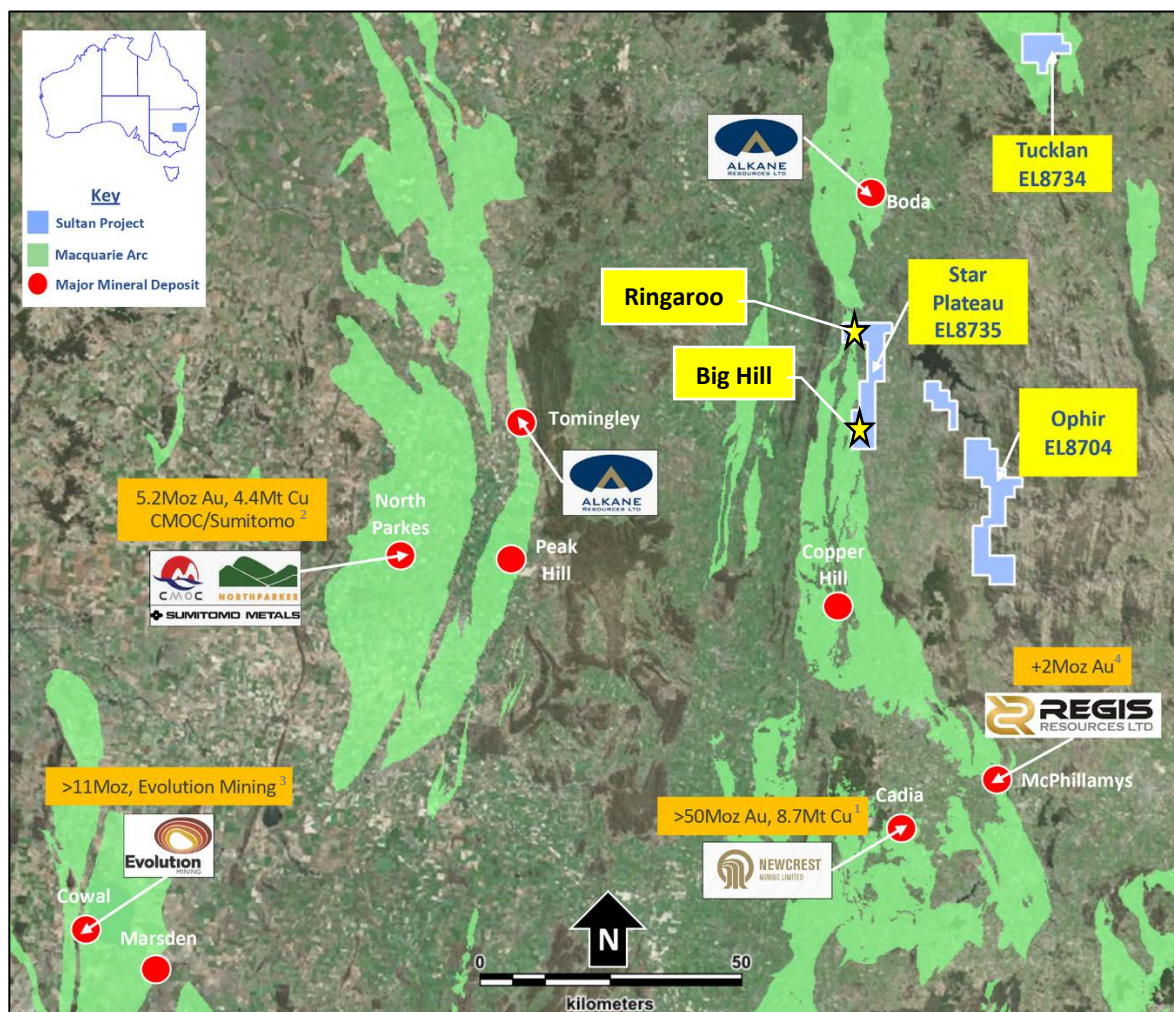


Figure 1: Sultan tenements in relation to World Class operating mines of the East Lachlan Fold Belt, and the recent Boda discovery (References for resources at end of document)

Big Hill Magnetic Inversion

Southern Geoscience Consultants was commissioned by Sultan to undertake a reprocessing and 3D inversion of open file magnetic data over the Big Hill prospect area. The magnetic survey was completed by Clancy Exploration (now RareX, ASX:REE) in 2013 (ASX Announcement 29/04/2013). The high-quality helicopter-borne survey was completed by AeroSystems and data was collected along a 75m line-spacing and a mean terrain clearance of 45m. Flight lines were east-west, and all data is available on open file.



The exercise was undertaken to enhance the information available from the original survey over the southern portion of EL8375 that contains the Big Hill magnetic complex and the Gowan Green, Big Hill and Wattle Ridge porphyry targets. The process resulted in the production of a number of surface images of greater magnetic clarity over the target area as well as the production of a 3D magnetic inversion block model that extends from Wattle Ridge in the south through Big Hill towards Gowan Green.

Results

The reprocessing exercise has greatly enhanced the detail of the Big Hill magnetic complex and highlights internal magnetic lows and potential structural features. A comparison to the previously available image is provided below in Figure 2 and shows the incredible detail now available to Sultan across the prospect to assist further targeting. Figure 3 shows the enhanced magnetic detail overlaid with previous geochemical results from Big Hill.

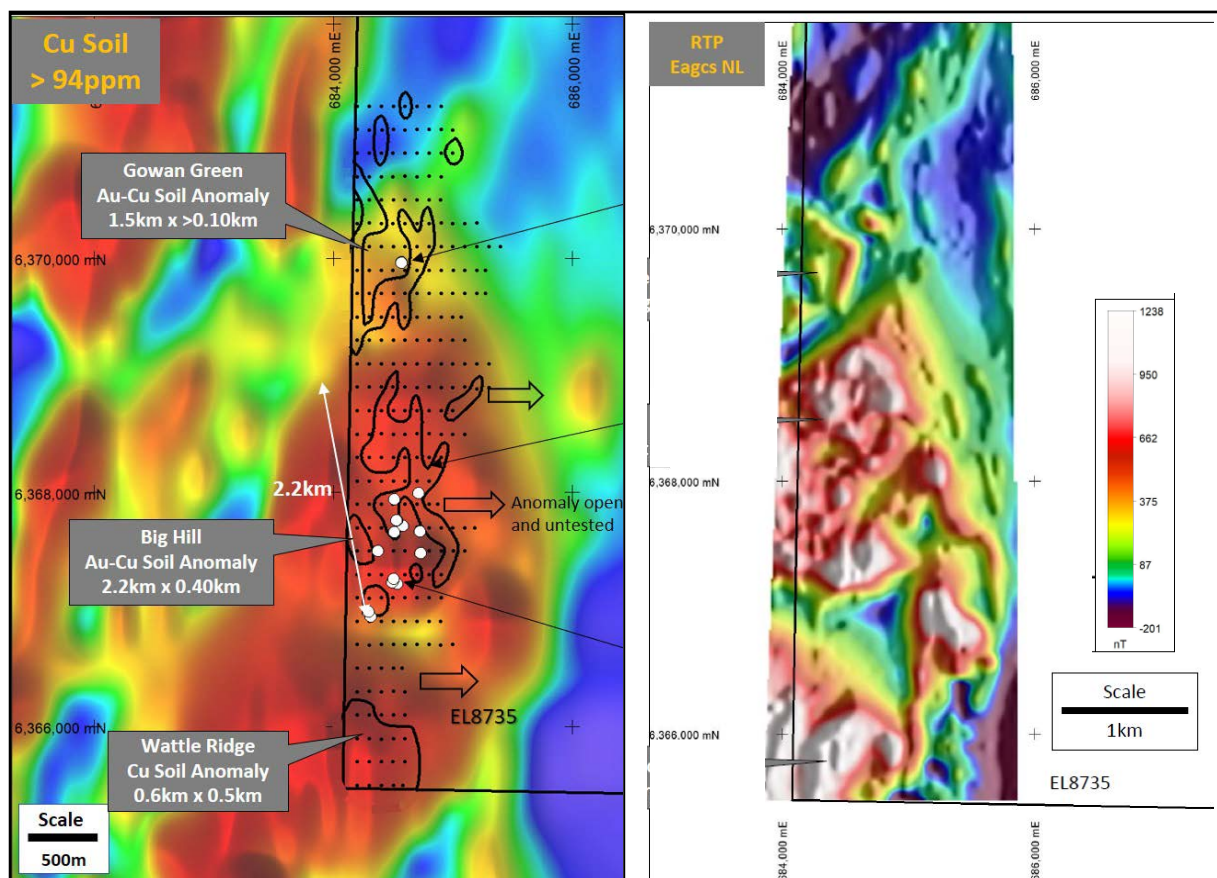


Figure 2: Left: Previous RTP magnetic image over Big Hill with Copper (>94ppm Cu) Soil Contours significant rock sample locations. (ASX 20/05/2020). Right: RTP magnetic image of the same area using the reprocessed data showing the enhanced detail now evident.

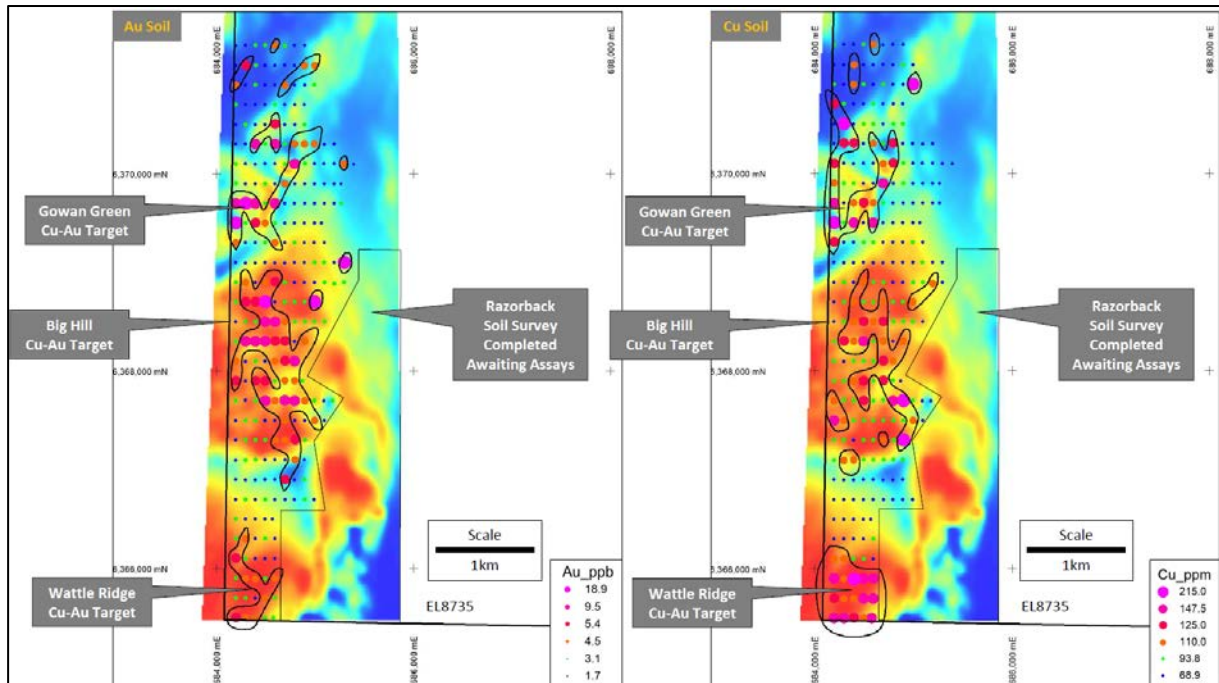


Figure 3: Big Hill reprocessed RTP Pseudo NL Aeromagnetic Image with Gold & Copper Soil Anomalies (soil results from ASX Announcement 20/05/2020).

Southern Geoscience produced a 3D magnetic inversion block model from the data which has provided strong indications for the presence of a magnetic intrusive body immediately beneath the Big Hill, Wattle Ridge and Gowan Green surface geochemical anomalies. The inversion block model shows a strong spatial association with the location of surface anomalies and even displays a number of narrow apophyses that extend from the main body at depth to the surface in the locations of the strongest surface geochemical anomalism and porphyry style alteration (Figures 4 to 7).

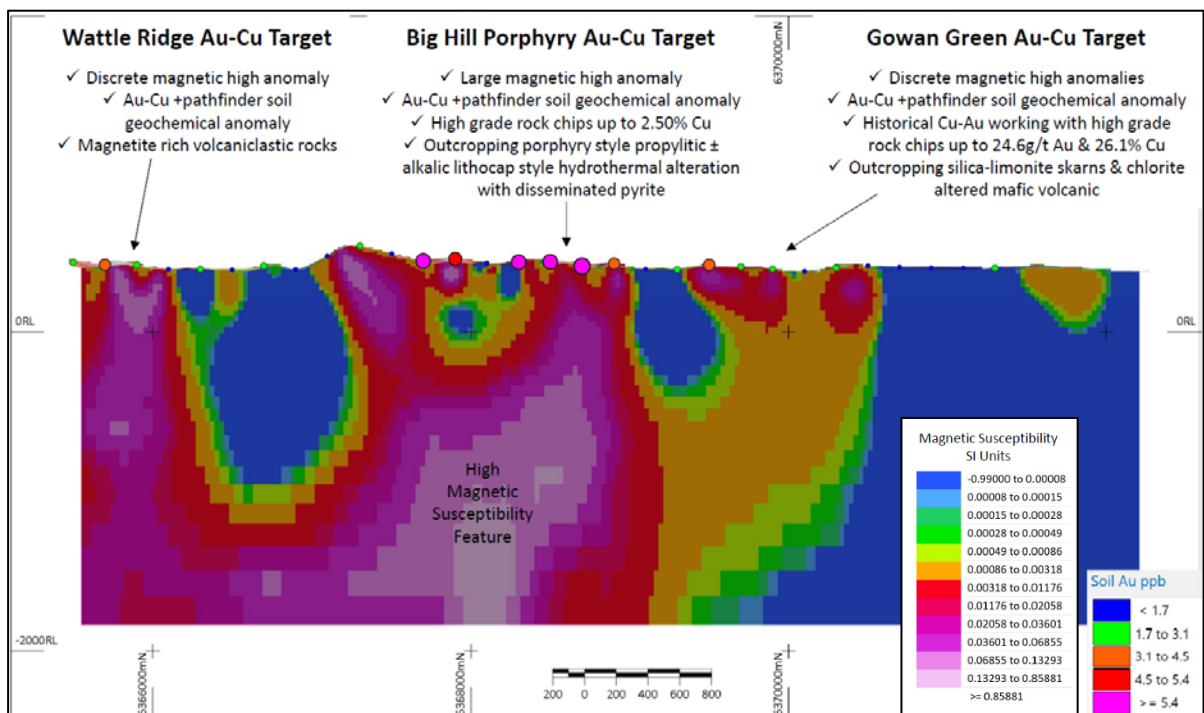


Figure 4: Big Hill 3D UBC Magnetic Inversion Block Model – Long Section 684,500mE with Gold in Soils (100m clipping window, looking west)

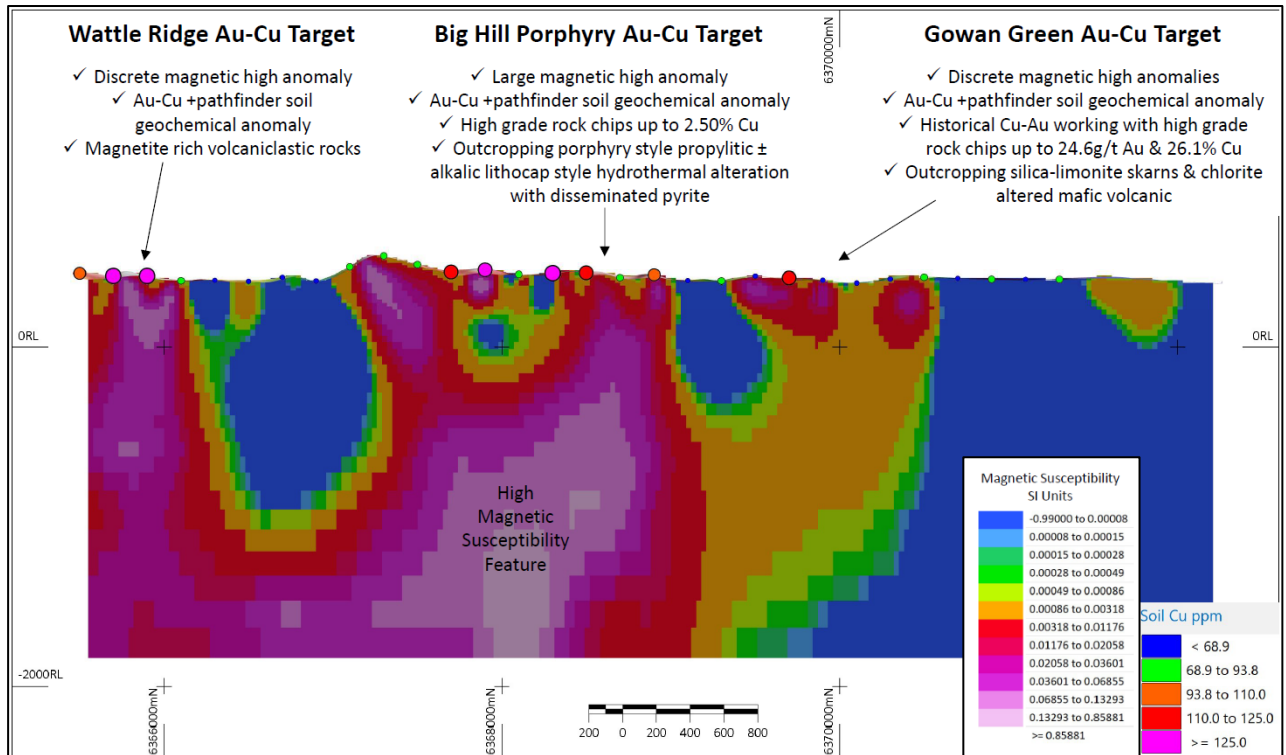


Figure 5: Big Hill 3D UBC Magnetic Inversion Block Model – Long Section with Copper in Soils (100m clipping window, looking west)

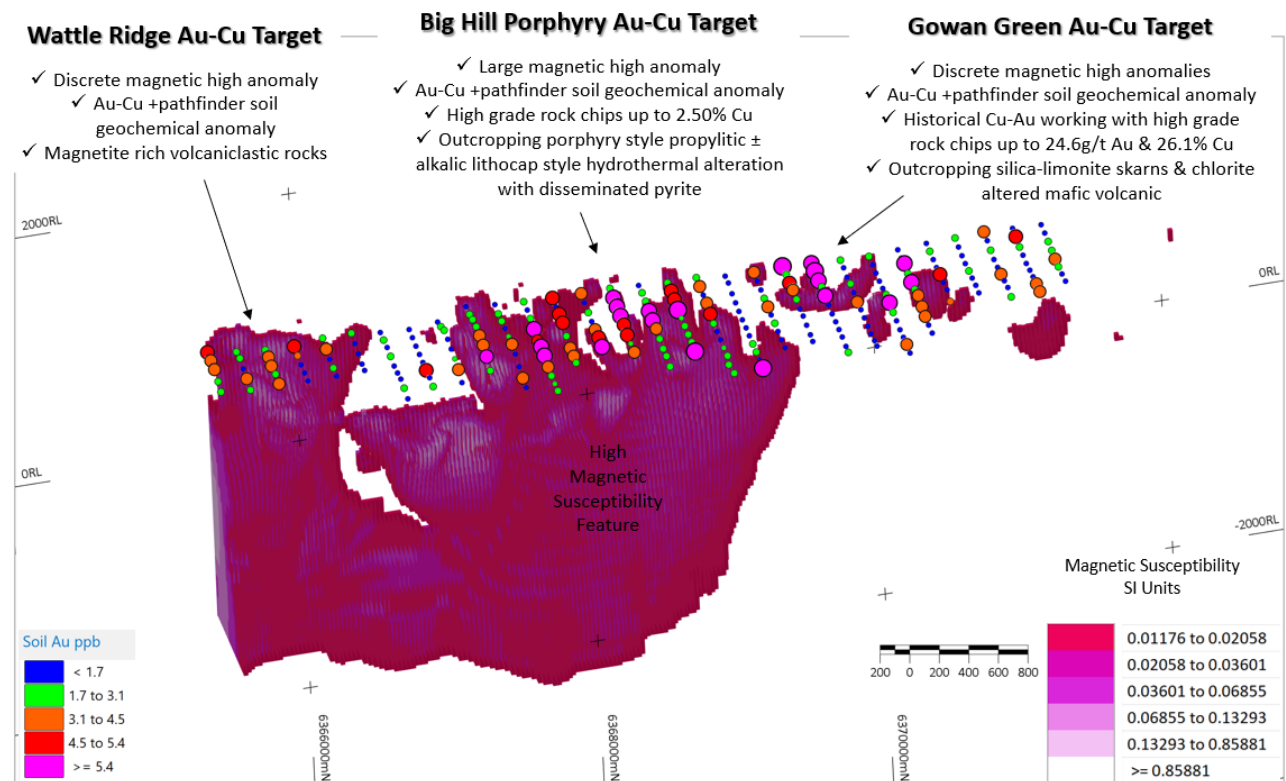


Figure 6: Big Hill 3D UBC Magnetic Inversion Block Model – 3D View 684,500mE with Gold in Soils (1,000m clipping window):

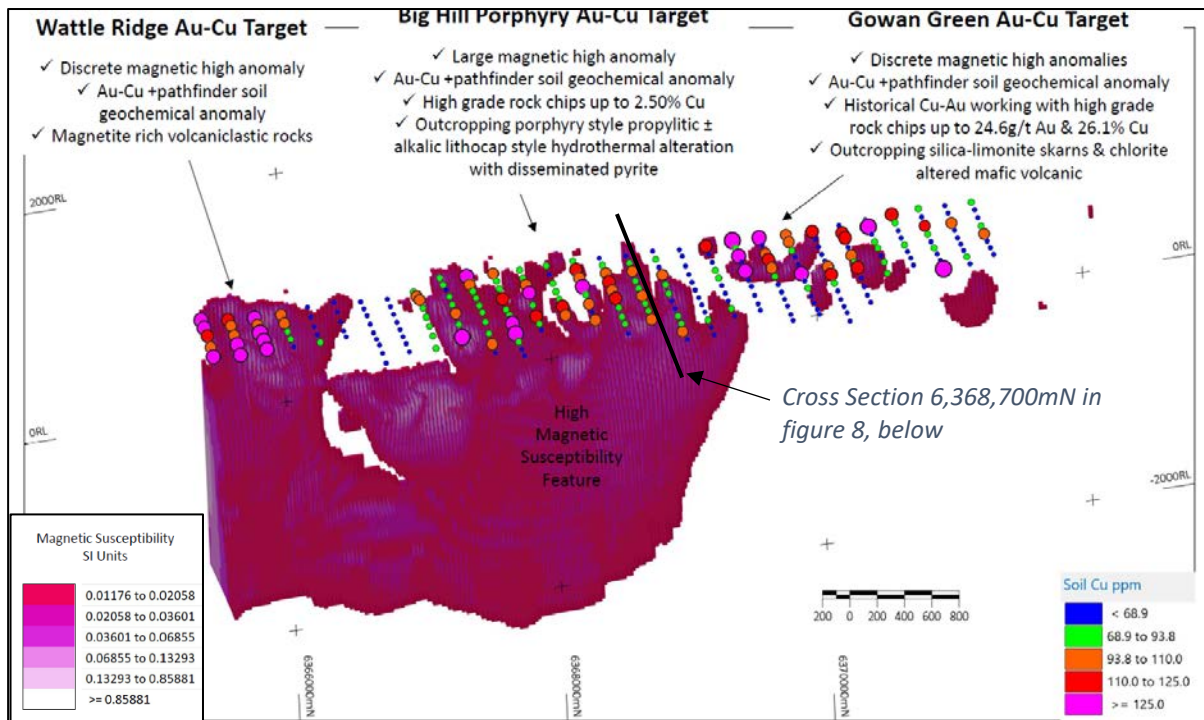


Figure 7 Big Hill 3D UBC Magnetic Inversion Block Model – 3D View 684,500mE with Gold in Soils (1,000m clipping window)

Cross sections through the magnetic inversion model also highlight the strong spatial relationship between the magnetic body and surface mineralisation. Figure 8, below, illustrates the magnetic zones extending to surface in positions of copper and gold anomalism and for reference, has a schematic illustration of the depth and approximate width of Newcrest Mining's Cadia Ridgeway Au-Cu porphyry deposit for scale.

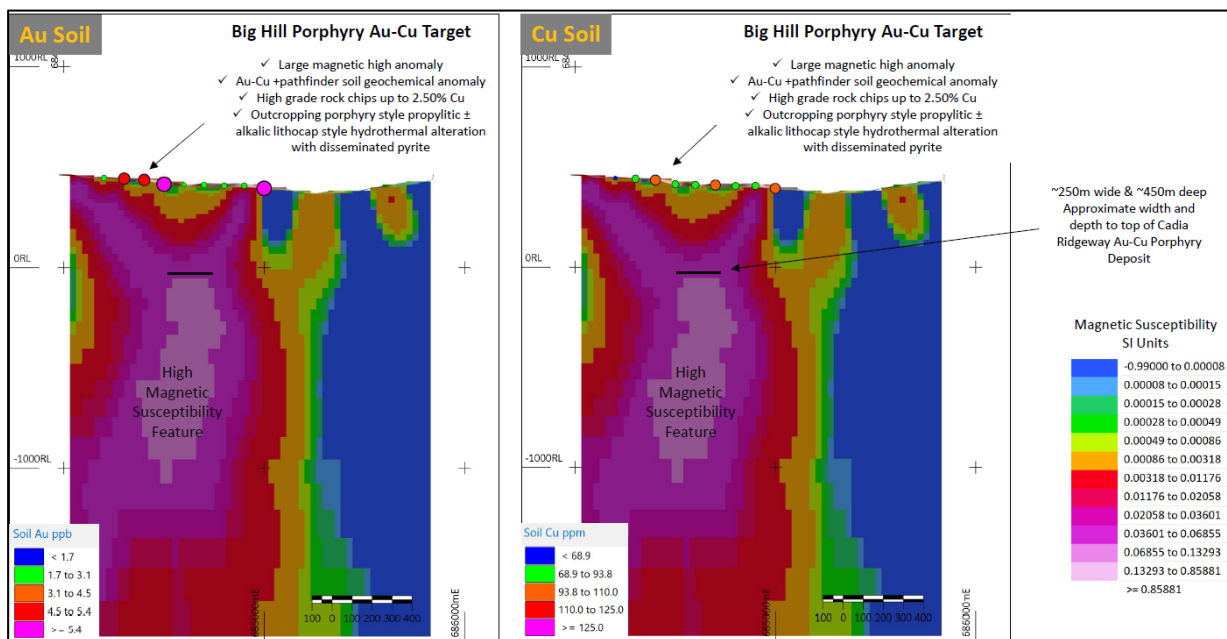


Figure 8: Big Hill 3D UBC Magnetic Inversion Block Model – Cross Section 6,368,700mN with Gold & Copper in Soils (100m clipping window)



Big Hill Soil Sampling Extension

A further 165 soil samples were collected to the east of the main Big Hill soil anomaly (Figure 9) and submitted to ALS Orange. Geological mapping and systematic rock chip sampling (59 samples) of exposed outcrop within the extended “Razorback” grid has been completed, submitted to ALS Orange, results are awaited. The new program has extended the surveyed area at Big Hill a further 500m to 1km to the east into stratigraphy including reactive limestones.

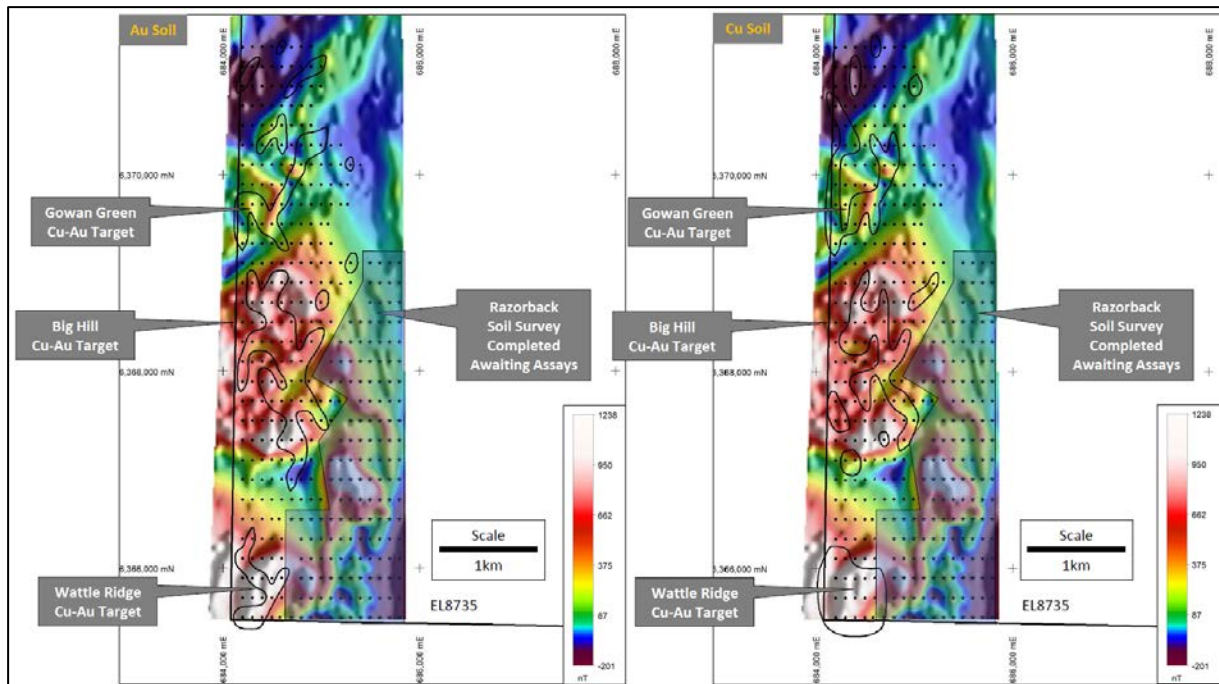


Figure 9: Big Hill RTP Aeromagnetic Image with Soil Sample Sites & Gold + Copper Soil Anomalies and the sample sites from the recently sampled Razorback survey to the east of Big Hill.

Ringaroo

Dipole-Dipole IP Surveying has been completed at the Ringaroo porphyry Au-Cu prospect. The program was undertaken by Fender Geophysics (Figure 10) with all Fender personnel being tested for COVID-19 prior to arriving on site. The survey traversed the previously reported (see ASX Announcement 09 July 2020) open, gold and copper soil geochemical anomaly, coincident with a magnetic high anomaly seeking to define buried chargeability responses indicative of pyrite halos to potential porphyry style mineralisation. The survey design and specifications are identical to those used by Newcrest to detect the Ridgeway deposit. The data is currently being processed and inverted by Southern Geoscience, results are awaited.



Figure 10: Fender Geophysical crew undertaking IP survey

Contemporaneously with the IP survey, the current open Au-Cu soil geochemical anomaly was infilled and extended with a further 102 soil samples completed. All samples have been dispatched to ALS Orange and results are expected in approximately 4 weeks.

This announcement is authorised by Steve Groves, Managing Director

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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.

About Sultan Resources

Sultan Resources is an Australian focused exploration company with a portfolio of quality assets in emerging discovery terranes currently targeted by successful explorers such as Newcrest Mining, Alkane Resources, Gold Road Resources, and Sandfire Resources. Sultan's tenement portfolio includes prospective targets for porphyry Au-Cu, structurally-hosted gold, Nickel, Cobalt and base metals and include tenements located in the highly prospective Lachlan Fold Belt of Central NSW as well as projects 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.



References

1. Newcrest., 2019, Newcrest Investor and Analyst Presentation, ASX Announcement, 18 November 2019
2. CMOC 2019., China Molybdenum Company Limited, <http://www.cmocinternational.com/australia/>
3. Evolution., 2018, <https://evolutionmining.com.au/reservesresources/>
4. Regis Resources Ltd, <https://www.regisresources.com.au/General/reserves-and-resources.html>

Appendix 1: JORC Code, 2012 Edition Table 1 – Colossus Metals

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>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.</i> <i>Include reference to measures taken to ensure sample representivity & the appropriate calibration of any measurement tools or systems used.</i> <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> <i>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.</i>	Rock sampling program - Rock chip samples were taken in the during field inspection of the Tucklan gold target - Rock samples were collected from surface outcrop and float - Outcrop samples are resistant portions of the local geology and are considered to be in situ. Float samples are interpreted to have been sourced from local area. - Samples weighing up to several kilograms were collected Soil sampling program - All soil sample points were located using a hand-held GPS with +/-5m accuracy utilising MGA zone 55 (GDA94) coordinate system. Surface organic matter was removed from the sample site using a hand pick and shovel and a 25cm x 25cm x 25cm deep hole was dug using a mattock, with a sample of primarily B soil horizon collected. The soil sample was screened using a 3mm mesh aluminium sieve and a 200-250 gram sub sample of -3mm fraction was retained in a labelled soil geochemical bag for analysis. Soil sample IDs and locations are stored digitally in a register which also notes sample content and conditions. External certified reference material / standards, blanks and duplicates are submitted every 50th, 51st and 52nd sample respectively for QAQC purposes.



Criteria	JORC Code explanation	Commentary
<i>Drilling techniques</i>	• 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.).	• N/A
<i>Drill sample recovery</i>	• 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.	• N/A
<i>Logging</i>	• 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.	Rock sampling program • A short geological description was taken at each sample point • The description is qualitative and includes lithology, alteration and mineralisation
<i>Sub-sampling techniques & sample preparation</i>	• 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. • 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.	Rock and soil sampling program • The sample preparation for both rock and soils follows industry best practise involving oven drying, crushing and pulverisation



Criteria	JORC Code explanation	Commentary
Quality of assay data & laboratory tests	<i>The nature, quality & appropriateness of the assaying & laboratory procedures used & whether the technique is considered partial or total.</i> <i>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.</i> <i>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.</i>	- Rock samples are analysed for 48 elements including Ag, Al, As, Ba, Be, Bi, Ca, Cd, Ce, Co, Cr, Cs, Cu, Fe, Ga, Be, Hf, In, K, La, Li, Mg, Mn, Mo, Na, Nb, Ni, P, Pb, Rb, Re, S, Sb, Sc, Se, Sn, Sr, Ta, Te, Th, Ti, Tl, U, V, W, Y Zn and Zr using method ME-MS61 (four acid ICP-MS). Gold will be analysed separately using ALS method Au-AA22, with a lower detection limit of 0.001 ppm. - Soil Samples were analysed for 53 elements including Au, Ag, Al, As, B, Ba, Be, Bi, Ca, Cd, Ce, Co, Cr, Cs, Cu, Fe, Ga, Ge, Hf, Hg, In, K, La, Li, Mg, Mn, Mo, Na, Nb, Ni, P, Pb, Pd, Pt, Rb, Re, S, Sb, Sc, Se, Sn, Sr, Ta, Te, Th, Ti, Tl, U, V, W, Y, Zn & Zr using method AuME-ST44. - External certified reference material / standards, blanks and duplicates are submitted every 50th, 51st and 52nd sample respectively for QAQC purposes.
Verification of sampling & assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical & electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i>	- All data are verified by at least two experienced Colossus Metals geologists. - Data are stored in a digital database and interrogated using the ioGas™ geochemical software suite.
Location of data points	<i>Accuracy & quality of surveys used to locate drill holes (collar & down-hole surveys), trenches, mine workings & other locations used in Mineral Resource estimation.</i> <i>Specification of the grid system used.</i> <i>Quality & adequacy of topographic control.</i>	- A handheld GPS was used to locate each sample point. Accuracy of +/- 5m is considered reasonable - MGA94, Zone 55 - Elevation were in AHD (MGA94, Zone 55)
Data spacing & distribution	<i>Data spacing for reporting of Exploration Results.</i> <i>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.</i> <i>Whether sample compositing has been applied.</i>	- Soil samples from the current program are collected across a grid spaced at - Ringaroo 200m x 200m sample spacing - Big Hill / Razorback 100m x 200m



Criteria	JORC Code explanation	Commentary
		These spacings are considered reasonable to provide sufficient geochemical coverage over the target types sought.
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.	N/A
Sample security	The measures taken to ensure sample security.	All geochemical samples were selected by geologists in the field delivered directly to the lab by Colossus,
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 licences referred to in this document are part of a recent acquisition by Sultan Resources for 100% of the assets of Colossus Metals. The licences include EL8734, EL8704 and EL8735, which together cover a total area of approximately 326 km² within the Lachlan Fold Belt of central NSW. - EL8734 and 8735 are due for renewal in April 2020 and Sultan has been advised by Colossus that all expenditure commitments have been met for the respective 2 year term.
Exploration done by other parties	Acknowledgment & appraisal of exploration by other parties.	Previous exploration over EL8735 has been limited. Work reported was generally generative in nature and at a reconnaissance level.
Geology	Deposit type, geological setting & style of mineralisation.	The Project lies 45km northeast of the Boda Cu-Au porphyry discovery within the Late Ordovician – Early Silurian Tucklan Formation, Rockley - Gulgong Volcanic Belt, Macquarie Arc. The Tucklan Formation is considered to be



Criteria	JORC Code explanation	Commentary
		synchronous with Phase 4 volcanism in the Macquarie Arc which is associated in time and space with the largest porphyry Au-Cu deposits. It is associated with historical gold workings that include numerous prospecting pits, plus a shallow shaft and adit. These form part of the overlooked & extensive Tucklan gold field. The Lachlan Orogen is approximately 700 km wide and 1000 km long and has disputed complex evolutionary history. The Macquarie Arc is part of the eastern sub-province of the Lachlan Orogen and is the host to numerous porphyry Au-Cu deposits. It consists mainly of subduction-related Ordovician intermediate and mafic volcanic, volcanoclastic and associated intrusive rocks and was accreted to Gondwana in the Early Silurian, and underwent rifting and burial in the Middle to Late Silurian. It consists of four structural belts, namely, the western (Junee-Narromine), the central (Molong), the eastern (Rockley-Gulgong) Belt, and southern (Kiandra) volcanic belts. These belts have most likely been formed by rifting and dismemberment of a single arc, which developed along the boundary between the Australian and proto-Pacific plates during the Ordovician and was subsequently dismembered during the Silurian. An entirely intra-oceanic setting is postulated for the Macquarie Arc (Crawford et al., 2007), with four phases of arc-type magmatism, the earliest in the Early Ordovician, and culminating in the Late Ordovician to Early Silurian. The four phases of volcanism in the Macquarie Arc relate to distinct groups of porphyritic intrusions that vary from monzodiorite-diorite through monzonite-granodiorite compositions and correspond with porphyry copper-gold and epithermal gold-silver mineralisation Lithology Based on the work discussed in this document, the rocks at Tucklan are classified to be of trachy-andesite to alkali basaltic volcano-sedimentary origin.



Criteria	JORC Code explanation	Commentary
<i>Drill hole Information</i>	<i>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:</i> <i>o Easting & northing of the drill hole collar</i> <i>o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> <i>o dip & azimuth of the hole</i> <i>o down hole length & interception depth</i> <i>o hole length.</i> <i>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.</i>	A map showing the distribution of anomalous Au and Cu has been included for reference. It is impractical to present data for all 53 elements recorded in the assay analysis
<i>Data aggregation methods</i>	<i>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.</i> <i>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.</i> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	N/A
<i>Relationship between mineralisation widths & intercept lengths</i>	<i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> <i>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’).</i>	N/A



Criteria	JORC Code explanation	Commentary
<i>Diagrams</i>	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 maps and figures accompanying this ASX release.
<i>Balanced reporting</i>	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.	Reference has been made to anomalous levels of geochemical pathfinder elements in the document. This interpretation has been determined by experienced Colossus Metals' geologists using the ioGas™ geochemical software. It is impractical to present every result for all 53 elements across the sample population in this document. A map showing the distribution of anomalous Cu has been included for reference.
<i>Other substantive exploration data</i>	Other exploration data, if meaningful & material, should be reported 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.	- Geophysical data including publicly available magnetic survey data has been used to further interpret the Big Hill Target. Southern Geoscience Consultants performed a reprocessing and 3D inversion of open file magnetic data over the Big Hill prospect area. The magnetic survey was completed by Clancy Exploration (now RareX, ASX:REE) in 2013 (ASX Announcement 29/04/2013). The high-quality helicopter-borne survey was completed by AeroSystems and data was collected along a 75m line-spacing and a mean terrain clearance of 45m. Flight lines were east-west, and all data is available on open file. - Geosoft Oasis Montaj VOXI Earth Modelling algorithm was used to perform standard susceptibility modelling over the Big Hill area. - The dynamic range of data is: -0.094 to 0.286 SI unit - Max and Min depths (Z) of the 30x30x15m cell size model are 548RL and -1836RL respectively
<i>Further work</i>	- 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 ultimately generate targets for drilling. Work to enable this will include further soil sampling programs coupled with IP geophysics to locate bodies of disseminated sulphides beneath the surface. If sufficient encouragement is gained from this work, then deeper RC or diamond drilling is anticipated.