Sultan Resources Ltd
ACN: 623652 522

CORPORATE DETAILS

ASX Code: SLZ

DIRECTORS

STEVEN GROVES
MANAGING DIRECTOR

JEREMY KING
CHAIRMAN

DAVID LEES
NON-EXECUTIVE DIRECTOR

CONTACT
Suite 2, Level 1,
1 Altona Street
West Perth WA 6005
www.sultanresources.com.au

info@sultanresources.com.au

9th November 2020

NOTICE OF GENERAL MEETING

Sultan Resources Limited (ASX: SLZ) (**Sultan** or **Company**) invites you to attend a General Meeting of shareholders to be held at Suite 2, Level 1, 1 Altona Street, West Perth, Western Australia, at 10:00am WST on Thursday, 10 December 2020.

In accordance with section 5(1)(f) of the Corporations (Coronavirus Economic Response) Determination (No. 1) 2020 made by the Commonwealth Treasurer on 5 May 2020, the Notice of General Meeting, accompanying Explanatory Statement and Schedules ("Meeting Materials") are being made available to shareholders electronically.

You are able to view and download the Meeting Materials online from the Company website at https://www.sultanresources.com.au/.

If you have nominated an email address and have elected to receive electronic communications with the Company's share registry, Automic Group Pty Ltd, you will receive an email to your nominated email address with a link to an electronic copy of the Meeting Materials.

In order to be able to receive electronic communications from the Company in the future, please update your shareholder details online at investor.automic.com.au/#/signup and log in with your unique shareholder identification number you can find on your Personalised Proxy form. Once logged in you can complete your proxy vote online investor.automic.com.au/#/loginsah. If you prefer not to vote online, please return the attached proxy form in accordance with the instructions contained within the Meeting Materials.

If you have any difficulties obtaining a copy of the Notice of Meeting please contact the Company's share registry, Automic Group Pty Ltd, on 1300 288 664 (within Australia) or +61 2 9698 5414 (Overseas).

This ASX announcement has been authorised for release by the Board of Sultan.

For further information contact:

Managing Director
Steve Groves
info@sultanresources.com.au

Investor Relations
Gigi Penna
gigi@calderahouse.com.au

Sultan Resources Limited

(ACN 623 652 522)

NOTICE OF GENERAL MEETING AND EXPLANATORY MEMORANDUM

10 December 2020

10:00am WST

Mirador Corporate, Suite 2, Level 1, 1 Altona Street,

West Perth, Western Australia, 6005

This Notice of General Meeting and Explanatory Memorandum should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on +61 8 6559 1792.

NOTICE OF MEETING

Notice is given that the General Meeting of Shareholders of Sultan Resources Limited (**Company**) will be held at Mirador Corporate, Suite 2, Level 1, 1 Altona Street, West Perth on 10 December 2020 commencing at 10:00am WST.

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders at 4:00pm on8 December 2020.

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Schedule 1.

AGENDA

1. Resolution 1 – Ratification of prior issue of Placement Shares under Listing Rule 7.1

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 8,793,795 Placement Shares issued pursuant to the Company's capacity under Listing Rule 7.1 on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved (namely participants in the Placement) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the resolution by:

(a) a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or

(b) the Chair as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or

(c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

  (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting on the resolution; and

  (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

2. Resolution 2 – Ratification of prior issue of Placement Shares under Listing Rule 7.1A

To consider, and if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 2,115,294 Placement Shares issued pursuant to the Company's capacity under Listing Rule 7.1A on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved (namely participants in the Placement) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the resolution by:

(a) a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or

(b) the Chair as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or

(c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

(i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting on the resolution; and

(ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

3. Resolution 3 – Grant of Management Options to Existing Directors

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

*"That, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue the following unlisted Options with an exercise price of $0.33 expiring on the date that is two years from the date of issue (**Management Options**):*

(a) *1,000,000 Management Options to Jeremy King (and/or his nominee);*

(b) *400,000 Management Options to Steve Groves (and/or his nominee); and*

(c) *400,000 Management Options to David Lees (and/or his nominee),*

on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Jeremy King, Steve Groves or David Lees (and/or their respective nominees) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reasons of being a holder of ordinary securities in the entity), or any Associates of those persons (**Resolution 3 Excluded Party**).

However, this does not apply to a vote cast in favour of the resolution by:

(a) a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or

(b) the Chair as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or

(c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

(i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting on the resolution; and

(ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

(a) the proxy is either:

(i) a member of the Key Management Personnel; or

(ii) a Closely Related Party of such a member; and

(b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 3 Excluded Party, the above prohibition does not apply if:

(a) the proxy is the Chair; and

(b) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Dated 9 November 2020

BY ORDER OF THE BOARD



Mauro Piccini
Company Secretary

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders of the Company in connection with the business to be conducted at the Meeting to be held at Suite 2, Level 1, 1 Altona Street, West Perth, Western Australia, 6005 on 10 December 2020 commencing at 10:00am (WST).

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions in the Notice.

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a proxy) to vote in their place. All Shareholders are invited and encouraged to participate in the Meeting via virtual means, and are encouraged to lodge a directed Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting via virtual means.

Please note that:

(a) a member of the Company entitled to attend via virtual means and vote at the Meeting is entitled to appoint a proxy;

(b) a proxy need not be a member of the Company; and

(c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

Shareholders and their proxies should be aware that:

(a) If proxy holders vote, they must cast all directed proxies as they are directed to; and

(b) Any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

(a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and

(b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and

(c) if the proxy is the Chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and

(d) if the proxy is not the Chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to Chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

(a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and

(b) the appointed proxy is not the Chair of the meeting; and

(c) at the meeting, a poll is duly demanded on the resolution; and

(d) either of the following applies:

(i) the proxy is not recorded as attending the meeting;

(ii) the proxy does not vote on the resolution,

the Chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

2.2 Submit your Proxy Vote Online

Vote online at https://investor.automic.com.au/#/loginsah, and simply follow the instructions on the enclosed proxy form.

Or alternatively:

2.3 Submit your Proxy Vote by Paper

If you do not wish to vote online, then it is necessary to complete in accordance with the detailed instructions set out on the enclosed Proxy Form.

The return of your completed form (ONLY if you do NOT vote online) can be done by one of the following ways:

BY MAIL	**IN PERSON**	**BY EMAIL**
Automic	Automic	meetings@automicgroup.com.au
GPO Box 5193	Level 5, 126 Phillip Street	
Sydney NSW 2001	Sydney NSW 2000	

2.4 Voting in Person

To vote in person, Shareholders are able to attend the Meeting at the time, date and place set out above. In light of on the status of the evolving COVID-19 situation and easing of Government restrictions on public gatherings in place at the time of the Notice and the number of Shareholders that normally attend Shareholder meetings for the Company, the Directors have made a decision that Shareholders will be able to physically attend the Meeting in person and accordingly, have arranged an appropriate meeting venue. If the Government restrictions and corresponding decision of the Director's changes prior to the Meeting, the Directors will update Shareholders via the Company's ASX platform.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6559 1792.

3. Resolutions 1 and 2 – Ratification of prior issue of Placement Shares under Listing Rules 7.1 and 7.1A

3.1 General

On 28 October 2020, the Company announced a placement to raise $2.4m (before costs) through the issue of 10,909,091 Shares (**Placement Shares**) at an issue price of $0.22 per Placement Share (**Placement**).

10,909,089 Placement Shares were issued in total on 2 November 2020. 8,793,795 Placement Shares were pursuant to the Company's capacity under Listing Rule 7.1 (being the subject of Resolution 1) and 2,115,294 Placement Shares were issued pursuant to the Company's capacity under Listing Rule 7.1A (being the subject of Resolution 2).

The Placement Shares were not placed with any Related Parties of the Company nor any of their associates.

Resolutions 1 and 2 seek Shareholder ratification pursuant to Listing Rule 7.4 for the previous issue of the Placement Shares.

3.2 ASX Listing Rules 7.1 and 7.1A

Broadly speaking, and subject to a number of exceptions which are contained in Listing Rule 7.2 (which do not apply in the circumstance of this Resolution), Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period. The Placement does not fit within any of the exceptions in Listing Rule 7.2 and, as it has not yet been approved by the Company's Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue date.

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting at which the Shareholders approve the 10% placement facility. The 10% placement facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

3.3 ASX Listing Rule 7.4

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have

been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. To this end, Resolutions 1 and 2 seek Shareholder approval to the Placement under and for the purposes of Listing Rule 7.4.

If Resolutions 1 and 2 are passed, the Placement Shares issue will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolutions 1 and 2 are not passed, the Placement Shares issue will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

3.4 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the ratification of the Placement Shares under Resolutions 1 and 2 (in respect of Listing Rules 7.1 and 7.1A):

(a) the Placement Shares were issued to investors who qualify under section 708 of the Corporations Act and can receive securities from the Company without the need for such securities to be issued under a disclosure document. None of these subscribers are Related Parties of the Company;

(b) a total of 10,909,089 Placement Shares were issued on the following basis:

(i) 8,793,795 Placement Shares issued pursuant to Listing Rule 7.1 (ratification of which is sought under Resolution 1);

(ii) 2,115,294 Placement Shares issued pursuant to Listing Rule 7.1A (ratification of which is sought under Resolution 2);

(c) the Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;

(d) the Placement Shares were issued on 2 November 2020;

(e) the issue price was $0.22 per Placement Share;

(f) the purpose of the Placement was to raise $2.4m (before costs) to:

(i) support drilling of the Company's two main prospects in the Lachlan Fold Belt of NSW (Tucklan Epithermal Gold Target and Big Hill Copper-Gold Porphyry target);

(ii) advance the Lake Grace Project in WA; and

(iii) augment working capital;

(g) the Placement Shares were not issued under an agreement; and

(h) a voting exclusion statement is set out in the Notice, which precludes any persons who participated in the issue Placement Shares and their associates from voting on Resolutions 1 and 2.

The Directors of the Company believe Resolutions 1 and 2 are in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

4. Grant of Management Options to Existing Directors

3.1 General

The Company is proposing to issue a total of 1,800,000 unlisted options with an exercise price of $0.33 expiring on the date that is two years from the date of issue on the terms and conditions set out in Schedule 2 (**Management Options**) to existing directors Jeremy King, Steve Groves and David Lees (**Directors**) as follows:

Resolution 3(a)	1,000,000 Management Options to Jeremy King (and/or his nominee);
Resolution 3(b)	400,000 Management Options to Steve Groves (and/or his nominee); and
Resolution 3(c)	400,000 Management Options to David Lees (and/or his nominee).

The issue of the Management Options is viewed as a cost effective and efficient way to incentivise and reward the Directors particularly in relation to additional work performed beyond the normal duties expected for a typical non-executive director.

3.2 Chapter 2E of the Corporations Act

Section 228(6) of the Corporations Act states that a person is a related party of a company if the company believes, or has reasonable grounds to believe, that the person is likely to become a related party.

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

(a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and

(b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Management Options constitutes giving a financial benefit and the Directors are related parties of the Company by virtue of being Directors.

As it is proposed that Management Options be granted to all of the Directors, the Directors have been unable to form a quorum to consider whether one of the exceptions set out in sections 210 to 216 of the Corporations Act applies to these issues. Accordingly, Shareholder approval is sought for the grant of the Management Options.

3.3 Section 195 of the Corporations Act

Section 195 of the Corporations Act provides that a director of a public company must not vote or be present during meetings of directors when matters in which that director holds a 'material personal interest' are being considered.

The Directors have a material personal interest in the outcome of Resolutions 3(a)-3(c) (as applicable). The Directors have accordingly exercised their right under section 195(4) of the Corporations Act to put the issue of the Management Options to Shareholders to resolve upon.

3.4 Listing Rule 10.11

ASX Listing Rule 10.11 provides that unless one of the exceptions in ASX Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

(a) a related party;

(b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;

(c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;

(d) an associate of a person referred to in ASX Listing Rules 10.11.1 to 10.11.3; or

(e) a person whose relationship with the company or a person referred to in ASX Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The proposed issue of Management Options requires approval by Shareholders under Listing Rule 10.11 as the recipients of the Management Options are Directors of the Company and no Listing Rule 10.12 exceptions apply.

Pursuant to Listing Rule 7.2 exception 14, as Shareholder approval is sought under Listing Rule 10.11, approval under Listing Rule 7.1 is not required.

If Resolutions 3(a) – (c) are passed, the Company will be able to proceed with the issue of the Management Options.

If any of Resolutions 3(a) – (c) are not passed, the Company will not be able to issue any of the Management Options and may consider alternative forms of remuneration in lieu of such issue.

3.5 Shareholder Approval (Chapter 2E of the Corporations Act and ASX Listing Rule 10.11)

Pursuant to and in accordance with the requirements of section 219 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided in relation to the proposed issue of the Management Options:

(a) the related parties which will receive the Management Options are existing directors Jeremy King, Steve Groves and David Lees (and/or their respective nominees), and they are related parties by virtue of being Directors (Listing Rule 10.11.1);

(i) the maximum number of Management Options (being the nature of the financial benefit being provided) to be granted is a total of 1,800,000 as set out in Section 3.5 above;

(ii) the Directors current remuneration package is set out in paragraph (x) below;

(iii) the terms and conditions of the Management Options to be issued are set out in Schedule 2;

(iv) the primary purpose of the grant of the Management Options to the Directors is to incentivise and reward the Directors particularly in relation to additional work performed beyond the normal duties expected for a typical director;

(v) the Management Options have been valued using the Black Scholes option pricing model as set out in Schedule 3, which attributes a value of $0.093 per Management Option, being a total value of $167,624 for the 1,800,000 Management Options to be issued under Resolutions 3(a) – (c);

(vi) the Management Options will be granted to the Directors (or their respective nominees) no later than 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Management Options will be issued on one date;

(vii) the Management Options will be issued for nil cash consideration, accordingly no funds will be raised from their issue;

(viii) there is no loan being offered to the Directors in respect of the issue of the Management Options;

(ix) a voting exclusion statement is included in Resolution 3 of the Notice;

(x) the Company notes that the remuneration and emoluments from the Company to the Directors for the previous financial year and the current remuneration and emoluments for the current financial year (inclusive of superannuation) are as set out below:

Director	**FY 2020 (inclusive of superannuation)***	**FY 2021 (inclusive of superannuation)***
Jeremy King	$35,040	$35,040
Steve Groves	$47,037	$47,037
David Lees	$35,040	$35,040

** Security-based payments are described in section (xiii) below.*

(xi) the Management Options are not being issued under an agreement;

(xii) the relevant interests of the Directors in securities of the Company are set out below (assuming all Resolutions are passed):

Name	Shares	Options*
Jeremy King	700,144	1,000,000
Steve Groves	150,000	400,000
David Lees	1,166,868	400,000

** Comprised of Management Options proposed to be issued under Resolution 3*

(xiii) if the Management Options are exercised and converted into Shares, a total of 1,800,000 Shares would be issued. This will increase the number of Shares on issue from 69,534,389 (being the number of Shares on issue at the date of this Notice) to 71,334,389 (assuming that no other Shares are issued) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 2.52%.

(xiv) The market price for Shares during the term of the Management Options would normally determine whether or not the Management Options are exercised. If, at any time any of the Management Options are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Management Options, there may be a perceived cost to the Company.

(xv) the highest and lowest closing prices of Shares on ASX during the 12 months preceding the date of this Notice, and the closing price on the trading day before the date of this Notice, are set out below:

	Price	Date
Highest	$0.29	22 October 2020
Lowest	$0.057	11 December 2019
Last	$0.23]	3 November 2020

(xvi) the Board acknowledges the grant of the Management Options to Jeremy King and David Lees is contrary to Recommendation 8.2 of The Corporate Governance Principles and Recommendations (4th Edition) as published by The ASX Corporate Governance Council. However, the Board considers the issue of the Management Options is reasonable in the circumstances for the reason set out in Section (xviii) below;

(xvii) Mr King declines to make a recommendation to Shareholders in relation to Resolution 3(a) due to his material personal interest in the outcome of the Resolution on the basis that he (and/or his nominees) is to be issued the Management Options should Resolution 3(a) be passed. However, in respect of Resolutions 3(b) and2 (c), Mr King recommends that Shareholders vote in favour of those Resolutions for the following reasons:

(i) the grant of the Management Options will align the interests of the Directors with those of Shareholders;

(ii) the grant of the Management Options is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given; and

(iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Management Options upon the terms proposed;

(xviii) Mr Groves declines to make a recommendation to Shareholders in relation to Resolution 3(b) due to his material personal interest in the outcome of the Resolution on the basis that he (and/or his nominees) is to be issued Management Options in the Company should Resolution 3(b) be passed. However, in respect of Resolutions 3(a) and (c), Mr Groves recommends that Shareholders vote in favour of those Resolutions for the reasons set out in Section (xvii) above;

(xix) Mr Lees declines to make a recommendation to Shareholders in relation to Resolution 3(c) due to his material personal interest in the outcome of the Resolution on the basis that he (and/or his nominees) is to be issued Management Options in the Company should Resolution 3(c) be passed. However, in respect of Resolutions 3(a) and (b), Mr Lees recommends that Shareholders vote in favour of those Resolutions for the reasons set out in Section (xvii) above;

(xx) in forming their recommendations, each Director considered the experience of each other Director, the current market price of Shares, the current market practices when determining the number of Management Options to be granted as well as the valuation; and

(xxi) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 3(a) – (c).

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Management Options to the Directors (and/or their nominees) as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of the Management Options will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

SCHEDULE 1– Definitions

In this Notice and the Explanatory Memorandum:

$ means Australian Dollars.

Associate has the meaning given in sections 12 and 16 of the Corporations Act. Section 12 is to be applied as if paragraph 12(1)(a) included a reference to the Listing Rules and on the basis that the Company is the "designated body" for the purposes of that section. A related party of a director or officer of the Company or of a Child Entity of the Company is to be taken to be an associate of the director or officer unless the contrary is established.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Board means the board of Directors.

Business Day means:

(a) for determining when a notice, consent or other communication is given, a day that is not a Saturday, Sunday or public holiday in the place to which the notice, consent or other communication is sent; and

(b) for any other purpose, a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Perth.

Chair means the person appointed to chair the Meeting convened by this Notice.

Closely Related Party means:

(a) a spouse or child of the member; or

(b) has the meaning given in section 9 of the Corporations Act.

Company means Sultan Resources Limited (ACN 623 652 522).

Constitution means the constitution of the Company as at the commencement of the Meeting.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company.

Equity Securities has the same meaning as in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

Key Management Personnel means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Listing Rules means the listing rules of ASX.

Management Options means the Options on the terms and conditions set out in Schedule 2.

Meeting has the meaning in the introductory paragraph of the Notice.

Notice means this notice of meeting.

Option means an option which entities the holder to subscribe for one Share.

Placement has the meaning given to it in Section 3.1.

Placement Shares has the meaning given to it in Section 3.1.

Proxy Form means the proxy form attached to the Notice.

Related Party has the meaning set out in the ASX Listing Rule 10.11.

Resolution means resolution contained in the Notice.

Schedule means a schedule to this Notice.

Section means a section contained in this Explanatory Memorandum.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

WST means Western Standard Time, being the time in Perth, Western Australia.

In this Notice and the Explanatory Memorandum words importing the singular include the plural and vice versa.

SCHEDULE 2 – Terms and Conditions of Management Options

The terms and conditions of the Options are as follows:

(a) The exercise price of each Option is $0.33 (**Exercise Price**).

(b) The expiry date of each Option is 5:00pm (WST) on the date that is two years from the date of issue (**Expiry Date**).

(c) Each Option gives the Option holder the right to subscribe for one Share.

(d) Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(e) The amount payable upon exercise of each Option is the Exercise Price.

(f) The Options held by each Option holder may be exercised in whole or in part, and if exercised in part, multiples of 10,000 must be exercised on each occasion.

(g) An Option holder may exercise their Options by lodging with the Company, before the Expiry Date:

(i) a written notice of exercise of Options specifying the number and class of options being exercised; and

(ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised,

(**Exercise Notice**).

(h) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.

(i) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price (and subject to the Company obtaining any necessary prior approvals from Shareholders or regulatory bodies for the issue of the Shares), the Company will issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.

(j) All Shares issued upon the exercise of Options will upon issue rank pari passu in all respects with other Shares.

(k) The Options are non-transferable and the Company will not apply for quotation of the Options.

(l) The Company will apply for quotation of all Shares issued pursuant to the exercise of Options on ASX within 10 Business Days after the date of issue of those Shares.

(m) If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(n) There are no participating rights or entitlements inherent in the Options and Option holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 4 Business Days after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

(o) An Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.

SCHEDULE 3– Valuation of Management Options

BLACK SCHOLES MODEL

Strike Price	**$0.330**
Share Price Current	**$0.220**
Issue Date	**31-12-20**
Expiry Date	**31-12-22**
Year-End	**31-12-20**

BLACK SCHOLES MODEL			
Input field			
			Information Source
Underlying security spot price		$0.220	ASX
Strike / exercise price		$0.330	ASX
Risk free rate		0.13%	Reserve Bank of Australia
Annual compounding Bond Rate		0.13%	
Continuously Compounding Risk Free Rate		0.13%	
Dividend rate (Decrease in Share Price)		0.00%	N/A
Issue / Valuation Date		31-Dec-20	ASX
Expiry date		31-Dec-22	ASX
Time to expiry (years)		2.00	
Std Dev (Annualised & Rounded)		100.00%	Estimated
Cumulative Normal Distribution			
D1	0.4222	0.6636	
D2	-0.9920	0.1606	
Options issued / granted		1,800,000	ASX
Fair value of one option		**$0.0931**	
Total fair value of options		**$167,624**	
Fair Value Rounded (3pd)			

SULTAN
RESOURCES

Sultan Resources Limited | ACN 623 652 522

Proxy Voting Form

If you are attending the meeting in person, please bring this with you for Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **10.00am (WST) on Tuesday, 8 December 2020,** being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: **https://investor.automic.com.au/#/home** Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.
Joint holding: Where the holding is in more than one name, all Shareholders should sign.
Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.
Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.
Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at https://automic.com.au.

Lodging your Proxy Voting Form:

Online:
Use your computer or smartphone to appoint a proxy at https://investor.automic.com.au/#/loginsah or scan the QR code below using your smartphone
Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.

BY MAIL:
Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:
Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:
meetings@automicgroup.com.au

BY FACSIMILE:
+61 2 8583 3040

All enquiries to Automic:
WEBCHAT: https://automicgroup.com.au/

PHONE: 1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

STEP 1 - How to vote

APPOINT A PROXY:
I/We being a Shareholder entitled to attend and vote at the General Meeting of Sultan Resources Limited, to be held at **10.00am (WST) on Thursday, 10 December 2020 at Mirador Corporate, Suite 2, Level 1, 1 Altona Street, West Perth, Western Australia, 6005** hereby:

Appoint the Chair of the Meeting (Chair) OR if you are not appointing the Chair of the Meeting as your proxy, please write in the box provided below the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.
Unless indicated otherwise by ticking the "for"," against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS
Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 3a, 3b, and 3c (except where I/we have indicated a different voting intention below) even though Resolutions 3a, 3b, and 3c are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

STEP 2 – Your voting direction

Resolutions		For	Against	Abstain
1.	Ratification of prior issue of Placement Shares under Listing Rule 7.1	☐	☐	☐
2.	Ratification of prior issue of Placement Shares under Listing Rule 7.1A	☐	☐	☐
3a.	Grant of Management Options to Existing Director – Jeremy King	☐	☐	☐
3b.	Grant of Management Options to Existing Director – Steve Groves	☐	☐	☐
3c.	Grant of Management Options to Existing Director – David Lees	☐	☐	☐

Please note: *If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.*

STEP 3 – Signatures and contact details

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

Contact Name:

Email Address:

Contact Daytime Telephone

Date (DD/MM/YY) ☐☐ / ☐☐ / ☐☐

By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).

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