SULTAN
RESOURCES

ASX ANNOUNCEMENT

29 April 2021

MARCH QUARTERLY REPORT

For the period 1st January – 31st March 2021

Sultan Resources
ACN: 623 652 522

CORPORATE DETAILS

ASX Code: SLZ

DIRECTORS

STEVE GROVES
MANAGING DIRECTOR

JEREMY KING
CHAIRMAN

DAVID LEES
NON-EXECUTIVE DIRECTOR

CONTACT
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West Perth WA 6005

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Sultan Resources Limited ("SLZ" or "the Company") is pleased to provide shareholders with the following update for the Company's activities for the quarter ended 31st March 2021.

LACHLAN FOLD BELT PROJECT

During the quarter Sultan continued exploration across its suite of highly attractive porphyry and epithermal exploration targets in the Macquarie Arc volcanic rocks of the Lachlan Fold Belt, NSW. The program is the continuation of the 2020 campaign, with drill testing and geophysical surveys ongoing across the Company's highly prospective suite of Macquarie Arc porphyry and epithermal gold targets.

Big Hill – Induced Polarisation Survey

As announced on 14 January 2021, Fender Geophysics had mobilised the crew to continue with the IP program at the Big Hill and Gowans Green targets. Big Hill and Gowan's Green are located in EL8735 and present as exceptional porphyry and skarn Au-Cu targets. The IP survey comprised four N-S lines each of 4.6km in length. The program was designed to locate deep drill targets indicative of potential porphyry mineralisation and guide the planning of drill holes to be undertaken during the 1st half of 2021.

Tucklan - Drilling

On 11 February 2021 it was announced that SLZ had completed the first phase of its maiden drill program at its 100% owned Tucklan Gold project in the east Lachlan Fold Belt, NSW. Core from the initial phase had been logged, and intervals for assay analysis had been dispatched.

The initial phase of the maiden drill programme at Tucklan comprised 6 RC percussion holes, including two with diamond drilling tails, for a total of 1,544.3m (Figure 1 and 2). Three holes reached their target depth of ~350m and three holes did not reach planned depth due to excessive ground water. The basement geology at Tucklan has been interpretated as Ordovician Tucklan Formation and Silurian Dungeree Volcanics of the Rockley - Gulgong Volcanic Belt, within the Macquarie Arc. The host rocks are considered to have potential to contain multiple styles of mineralisation including porphyry Cu-Au, epithermal Au and McPhillamy's-style bulk tonnage Au.

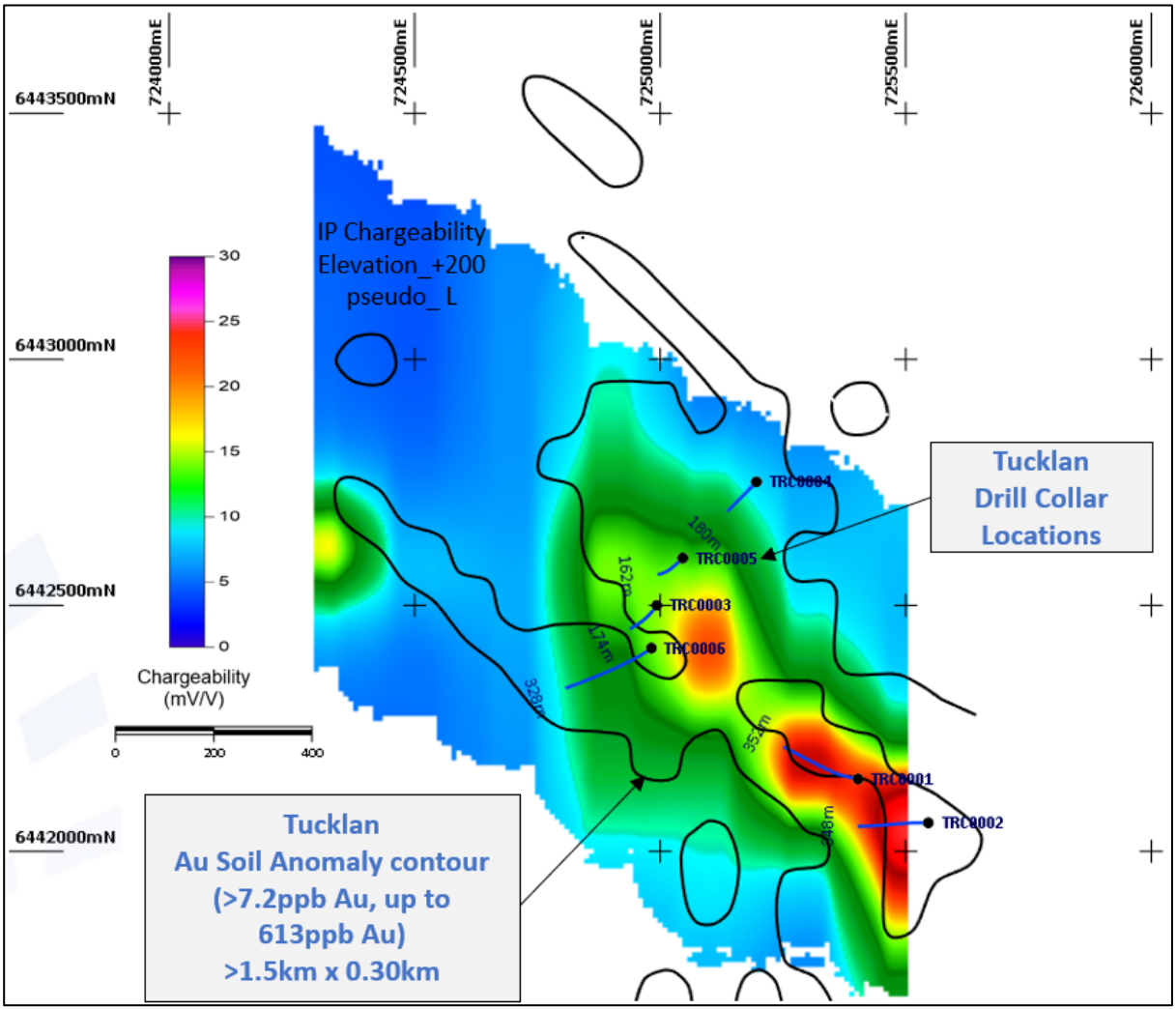


Figure 1: Drill collar locations over IP Chargeability pseudo image with Soil Au >7.2ppb contour (black outline)

HoleID	EASTING	NORTHING	RL	AZI	DIP	DEPTH
TRC0001	725403	6442147	470	281	-60	352.1
TRC0002	725546	6442058	463	270	-60	348
TRC0003	724993	6442500	462	215	-60	174
TRC0004	725196	6442751	452	225	-60	180
TRC0005	725046	6442596	452	225	-60	162
TRC0006	724982	6442413	471	233	-60	328.2

Figure 2: Collar Details of Drilled Holes

Logging of the drill chips and core had been very encouraging and revealed broad zones of hydrothermally altered volcaniclastics and coherent volcanic facies that contain multiple generations of veining and sulphide mineralisation in some holes. In particular, hole TRC0001, which tested a strong IP chargeability 'bullseye' target, intersected a 136m down hole zone (172m to 308m) of moderate to intense, multi-generational vein sets and associated disseminated, stringer and vein-hosted sulphide mineralisation within volcaniclastic sediments. Sulphide mineralisation was visually estimated to be at least 1.5% throughout the interval and

dominated by pyrite and pyrrhotite though significant sphalerite (Zn-sulphide), galena (Pb-sulphide) and chalcopyrite (Cu-sulphide) were all noted in some veins. Numerous vein sets have been identified and include:

- Quartz Sulphide Veins
  - Quartz + Pyrrhotite veinlets
  - Quartz + Pyrite veins with chlorite halos
  - Pyrite/pyrrhotite veinlets

- Quartz-Carbonate-Sulphide veins
  - Quartz + Carbonate + Pyrrhotite/pyrite

- Quartz-Carbonate-Base Metals Veins
  - Quartz + Carbonate veins with Sphalerite + Galena + Pyrrhotite + Pyrite ± Chalcopyrite

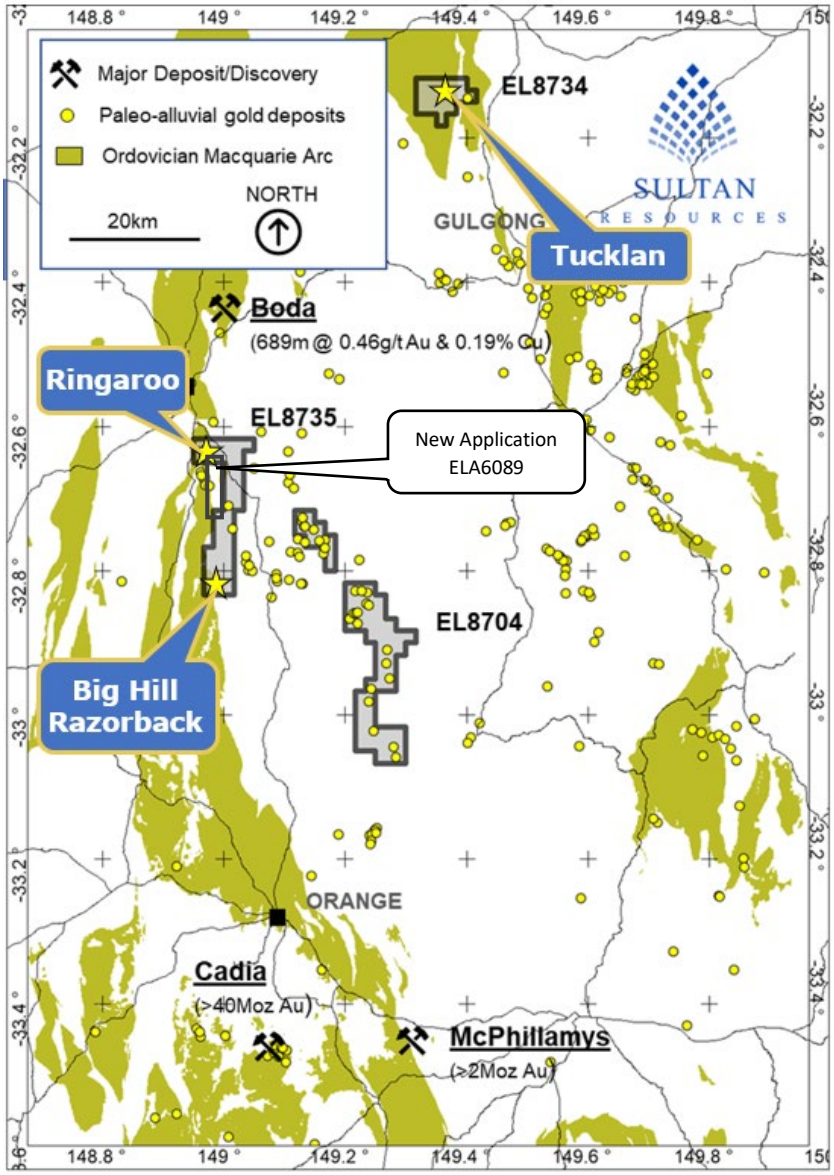


Figure 3: Location Map – Sultan Tenements over the prospective Macquarie Arc sequence with priority targets indicated.

WA PROJECTS

Lake Grace

Planning of the exploration program designed to assess the potential of Lake Grace to host Julimar-style nickel sulphide mineralisation continued during the quarter. Land access negotiation continued with a view to undertaking geophysical and geochemical surveys.

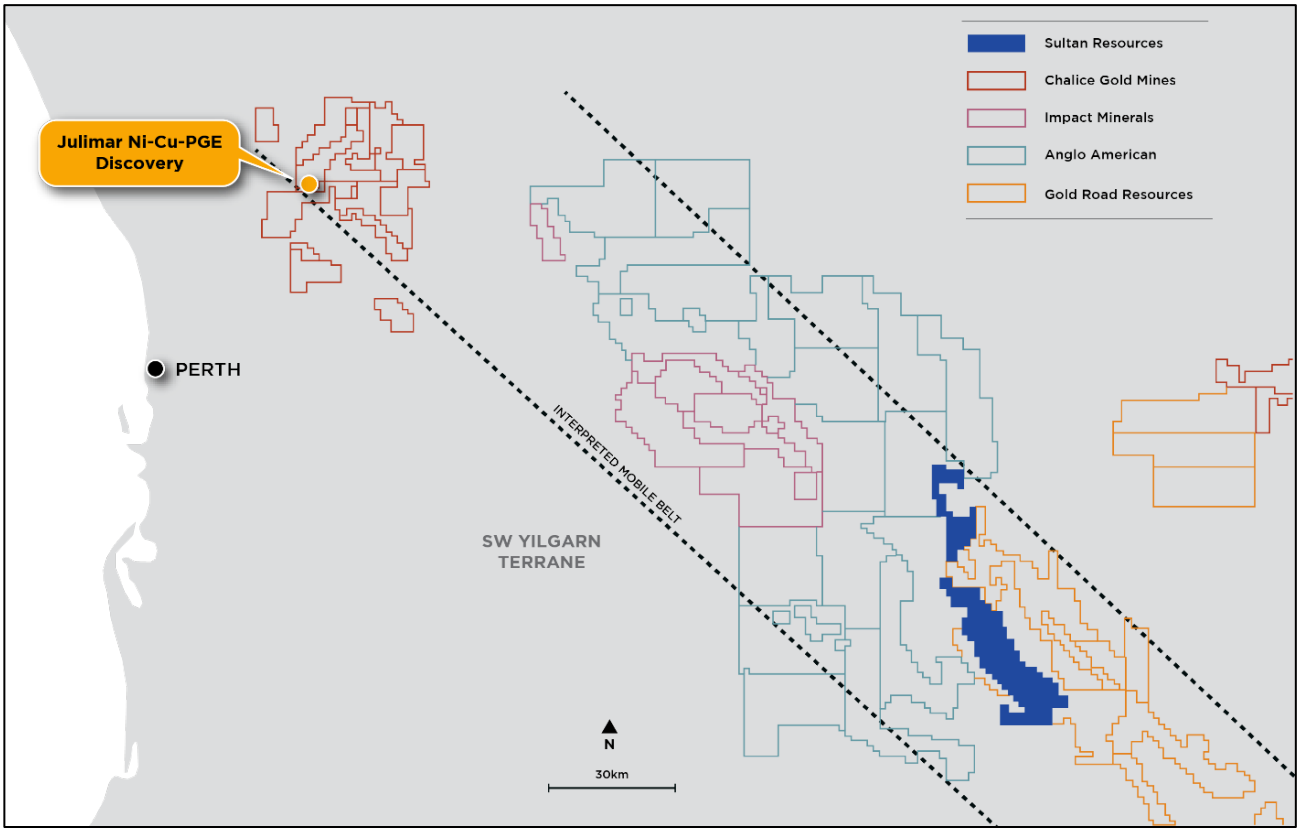


Figure 3: Sultan's Lake Grace portfolio of tenements in relation to the recent applications by Anglo American (blue outline), Impact Minerals (maroon outline) and the Gold Road Resources/Cygnus Gold JV (orange outline). All of Sultan's tenure lies within an interpreted mobile zone prospective for Ni-Cu mineralisation as postulated by Impact Minerals Ltd (see Impact Minerals announcement dated 10/06/2020)

OTHER PROJECTS

Thaduna

Follow up exploration of the recent gold and base-metal aircore anomalies defined late in 2018 are planned for the 2021 field season. Activities are anticipated to include ground geophysical surveys and further shallow and deep drilling. Negotiations with traditional heritage groups for further land access are ongoing.

East Tallering

A drill program following up historic aircore and RAB gold mineralisation has been planned and discussions with traditional heritage groups for land access are ongoing.

Dalwallinu

Landowner access negotiations are ongoing.

PORTFOLIO OVERVIEW

New South Wales – Lachlan Fold Belt

The Company has 100% ownership of a 326km^2 portfolio of ground in Lachlan Fold Belt prospective for porphyry gold-copper, epithermal gold, placer-style gold and base metals. The portfolio lies in close proximity to a number of established and recently discovered porphyry gold and copper deposits.

Western Australia

Sultan has 100% ownership of a 946km^2 portfolio of ground prospective for gold, nickel, cobalt and base metals and lies in close proximity to a number of significant recent discoveries. Sultan's portfolio consists of four project areas:

- Thaduna in the Peak Hill area approximately 190km NE of Meekatharra,
- Lake Grace approximately 250km SE of Perth
- East Tallering 180km east of Geraldton
- Dalwallinu 195km NE of Perth

CORPORATE

Sultan's cash position as at 31 March 2021 was $2.51 million.

SIGNIFICANT POST QUARTER END ACTIVITY

On 12 April 2021, it was announced that the maiden Tucklan drill program was completed, all assay results had been received and had revealed that the vein and sulphide zone in TRC0001 represents a significant intersection of elevated silver mineralisation and confirms that the IP and surface geochemistry are marking the location of a potentially large, and previously undiscovered, hydrothermal, silver-rich mineralising system.

Silver mineralisation is associated with a multiphase quartz-carbonate-sulphide (pyrite – Pyrrhotite – galena – sphalerite – chalcopyrite) vein system with significant disseminated pyrite-pyrrhotite. Veining is hosted in a selectively pervasive, sericite-chlorite-carbonate altered, foliated, biotite-rich volcaniclastic siltstone – sandstone package.

Significant intersections from the drilling include:

Table 1: Significant silver, lead and zinc intersections from TRC0001

Hole ID	From(m)	To (m)	Interval m)	Ag g/t	Pb ppm	Zn ppm
TRC0001	20	42	22	1.41	50	207
	200	288	**88**	4.14	305.5	229
Incl.	*218*	*226*	*8*	***15.5***	***1119***	***694.5***
Incl.	*224*	*226*	*2*	***27.7***	***1875***	***1540***
and	*284*	*286*	*2*	***45.6***	***3010***	***1800***

ADDITIONAL ASX INFORMATION

ASX Listing Rule 5.3.1

Exploration and Evaluation during the quarter was $480,000. The majority of this was spent on the Company's Lachlan Fold Belt Project.

ASX Listing Rule 5.3.2

There was no substantive mining production and development activities during the quarter.

ASX Listing Rule 5.3.5

Payments to Related Parties & their Associates	Total Amount
Director Fees and Superannuation	$42,368
Company Secretarial, Registered Office and Financial Management Services	$27,486

SCHEDULE OF TENEMENTS

ASX Listing Rule 5.3.3

Western Australia

Tenement	Holder	Status	Area	Application Date	Grant Date	Expiry Date	Required Expenditure
Dalwallinu Project							
E70/4884	Sultan 100%	Live	57 blocks	30/06/2016	4/08/2017	3/08/2022	$57,000
Thaduna Project							
E52/3461	Sultan 100%	Live	6 blocks	11/07/2016	31/10/2017	30/10/2022	$20,000
E52/3481	Sultan 100%	Live	1 block	19/10/2016	8/02/2018	7/02/2023	$10,000
Tallering East Project							
E59/2185-I	Sultan 100%	Live	22 Blocks	17/06/2016	1/02/2017	31/01/2022	$22,000
Lake Grace Project							
E70/5081	Sultan 100%	Live	58 blocks	21/11/2017	23/07/2018	22/07/2023	$58,000
E70/5082	Sultan 100%	Live	37 blocks	23/11/2017	31/07/2018	30/07/2023	$37,000
E70/5085	Sultan 100%	Live	65 blocks	24/11/2017	23/07/2018	22/07/2023	$65,000
E70/5095	Sultan 100%	Live	54 blocks	1/12/2017	31/07/2018	30/07/2023	$54,000
E70/5179	Sultan 100%	Live	28 blocks	1/6/2018	05/02/19	04/02/2024	$28,000

New South Wales

TENEMENT	REGISTERED HOLDER	GRANT OR APPLICATION DATE	EXPIRY DATE	STATUS	AREA	ANNUAL RENTAL FEE	ANNUAL ADMIN LEVY	SECURITY REQUIRED	SECURITY HELD	MINERALS	Expenditure requirement
EL 8704 (1992)	Colossus Metals Pty Ltd	5 March 2018	5 March 2023	Current	60 Units	$3,600	$100	$10,000	$10,000	Group 1	$75,000
EL 8734 (1992)	Colossus Metals Pty Ltd	16 April 2018	16 April 2025	Current	16 Units	$960	$100	$10,000	$10,000	Group 1	$50,000
EL 8735 (1992)	Colossus Metals Pty Ltd	16 April 2018	16 April 2025	Current	37 Units	$2,220	$100	$10,000	$10,000	Group 1	$75,000
ELA 6089 (1992)	Sultan Resources Ltd	21 August 2020	-	Pending	4 Units	$240	$100	$10,000	$10,000	Group 1	TBC
Total: 4					**117 Units**	**$7,020**	**$400**	**$40,000**	**$40,000**		

The mining tenement interests relinquished during the quarter and their location

Nil.

The mining tenement interests acquired during the quarter and their location

Not applicable.

Beneficial percentage interests held in farm-in or farm-out agreements at the end of the quarter

Not applicable.

Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the quarter

Not applicable.

This announcement is authorised by Steve Groves, Managing Director.

Competent Persons Statement

The information in this report that relates to Exploration Targets and Exploration Results is based on historical and recent 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.

Disclaimer

In relying on the above mentioned ASX announcement and pursuant to ASX Listing Rule 5.23.2, the Company confirms that it is not aware of any new information or data that materially affects the information included in the above-mentioned announcement.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity	
Sultan Resources Limited	
ABN	**Quarter ended ("current quarter")**
35 623 652 522	31 March 2021

	Consolidated statement of cash flows	**Current quarter $A'000**	**Year to date (9 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(4)	(17)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(41)	(80)
	(e) administration and corporate costs	(103)	(397)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	2	6
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(146)**	**(488)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(476)	(1,185)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(476)**	**(1,185)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	2,400
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(20)	(222)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**(20)**	**2,178**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	3,152	2,005
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(146)	(488)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(476)	(1,185)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(20)	2,178

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**2,510**	**2,510**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	2,510	3,152
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**2,510**	**3,152**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(71)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

6.1 Director and consulting fees paid to Directors and/or Director related entities $42,368
Financial management and Company secretary fee paid to Director related entity $27,489

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-
7.5	**Unused financing facilities available at quarter end**		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	N/A		

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(146)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(476)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(622)
8.4	Cash and cash equivalents at quarter end (item 4.6)	2,510
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	2,510
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	4
	Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
	8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
	8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	

8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
Answer: N/A	

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 29 April 2021

Authorised by: The Board of Sultan Resources Limited
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.