Sultan Resources Ltd
ACN: 623652 522

CORPORATE DETAILS

ASX Code: SLZ

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WA PROJECTS UPDATE: AIRCORE DRILLING PROPOSED FOR JULIMAR-STYLE NICKEL-SULPHIDE TARGETS

- **Sultan has commenced preparation for aircore drilling of interpreted ultramafic occurrences in the Lake Grace area in the search for Julimar-style Ni-sulphide targets**
  - **The project forms part of interpreted mobile zone that hosts the recent Julimar Ni-Cu-PGE discovery**
- **A program of ~3,500m targeting 13 discrete areas of known and interpreted ultramafic occurrences is proposed**
- **Historic exploration at Lake Grace has shown ultramafic rocks with evidence of nickel and cobalt bearing sulfides in drilling**
- **Strong geophysical evidence for >25km of cumulative strike length of ultramafic rocks across Sultan's Lake Grace portfolio**
- **Lake Grace portfolio surrounded by major mining and exploration companies:**
  - **Anglo American to north and west**
  - **Gold Road Resources to east**
- **Current drilling programme at Big Hill progressing well**

Sultan Resources Limited (ASX: SLZ) (**Sultan** or **Company**) is pleased to announce that planning for the first phase of reconnaissance exploration aircore drilling for nickel-prospective ultramafic rocks at identified magnetic anomalies within the Lake Grace prospect has commenced.

The Ni-prospectivity of the Company's Lake Grace tenement portfolio has long been recognised by the company (see ASX Announcement 20/07/2020, 20/11/2020) and has been verified by the discovery of Chalice Gold Mines' Julimar Ni-Cu-PGE deposit 215km to the northwest in the same belt of rocks (see Chalice ASX announcement of 23/03/2020). In the latter half of 2020, there was a rush to secure ground in the Southwest Yilgarn Terrane by major companies such as Anglo American plc.

Sultan owns a 690km^2 portfolio that is highly prospective for gold mineralisation and also contains historically drilled ultramafic rocks with evidence of nickel and cobalt bearing sulfides[1]. Detailed airborne magnetic surveying by the company (ASX Announcement 03/07/2020) has also revealed

several unexplored areas with geophysical characteristics indicative of ultramafic rocktypes. The proposed aircore program is designed to confirm the presence of ultramafic rocks interpreted from the magnetics interpretation and help determine the prospectivity of the region for hosting Ni-sulphide deposits

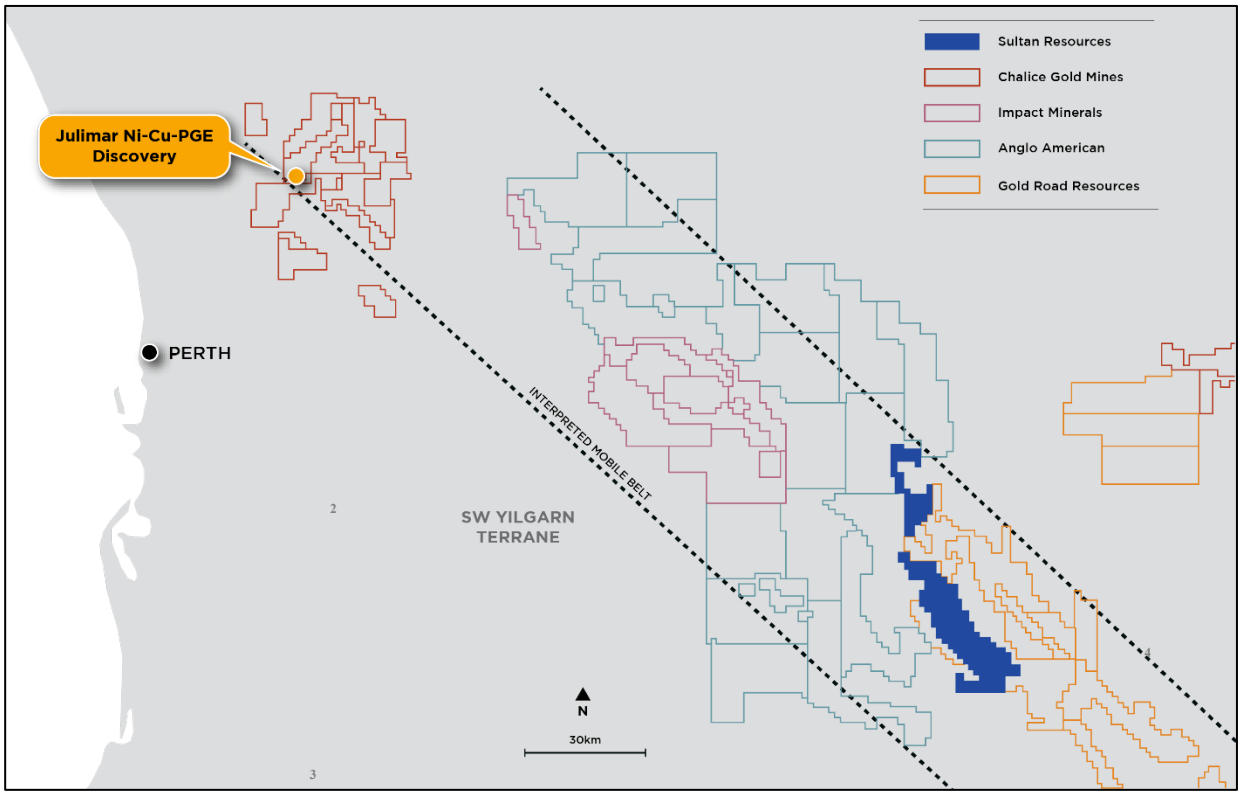

Figure 1: Sultan's Lake Grace portfolio of tenements in relation to the tenement positions of Anglo American (blue outline), Impact Minerals (maroon outline) and the Gold Road Resources/Cygnus Gold JV (orange outline). All of Sultan's tenure lies within an interpreted mobile zone prospective for Ni-Cu mineralisation as postulated by Impact Minerals Ltd (see Impact Minerals announcement dated 10/06/2020)

Aircore Drilling Program

A program totalling ~3,500m (final metres depend on final hole depths) of vertical aircore drill holes is proposed to ascertain the presence and extent of ultramafic lithology on Sultan's Lake Grace and Kulin Hill Projects tenure as mapped using magnetic conductance from the Sultan airborne magnetic survey (see ASX Announcement 03/07/2019, 20/07/2020, 20/11/2020). If the program confirms that the magnetic response represents ultramafic bodies, geochemical and/or mineralogical studies will be undertaken to determine whether the ultramafic is, or has the potential to be, fertile for massive nickel sulphides or indeed any Ni+Cu+Co+PGE mineralisation.

Outcrop of ultramafic rocks have been confirmed by Sultan on E70/5095 (see ASX Announcement 20/11/2020) and exploration in 1969 by the Electrolytic Zinc Company of Australia[1] revealed strongly anomalous nickel (Ni), with lower copper (Cu) and cobalt (Co) in this area. The 4 diamond drill holes completed by the company intersected cherty serpentinite and ultramafic rocks such as dunites, harzburgites, norites and pyroxenites, all of which were strongly serpentinised. These rocks were reported to contain abundant magnetite and finely disseminated sulphides containing 50% Nickel in the sulphide grains although no assays results can be found for these intervals.

Sultan's proposed aircore program will target this body where land access is possible as well as the two strong magnetic responses interpreted to represent ultramafic bodies further to the south on

E70/5095 and E70/5085 (Figures X to X). Full geochemical analysis coupled with petrographic interpretation and possible QEMSCAN testing will be undertaken on bottom of hole samples.

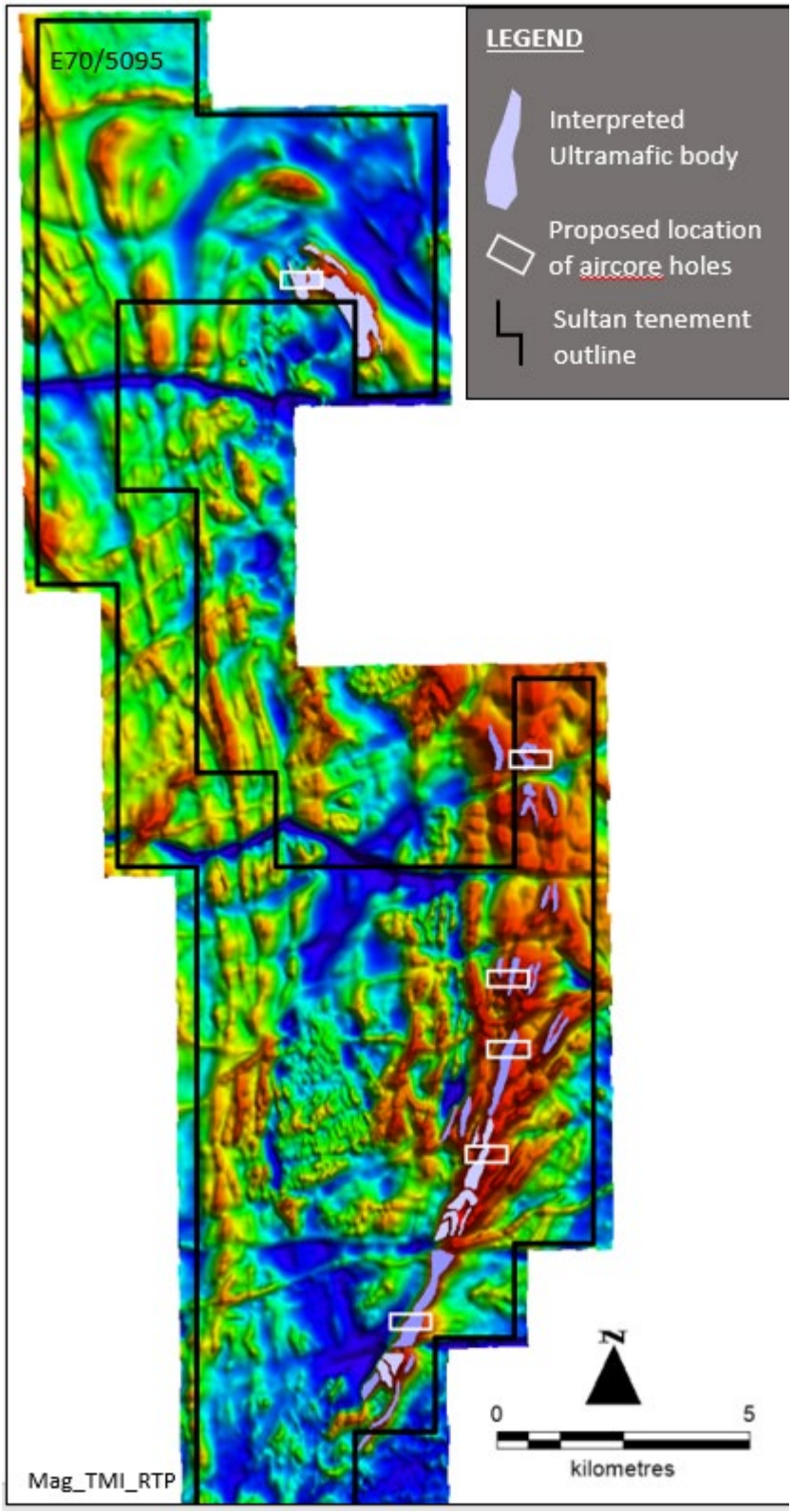

Figure 2: Location of the interpreted ultramafic bodies (purple) and positions of aircore traverses over the Total Magnetic Intensity reduced to pole image over E70/5095.

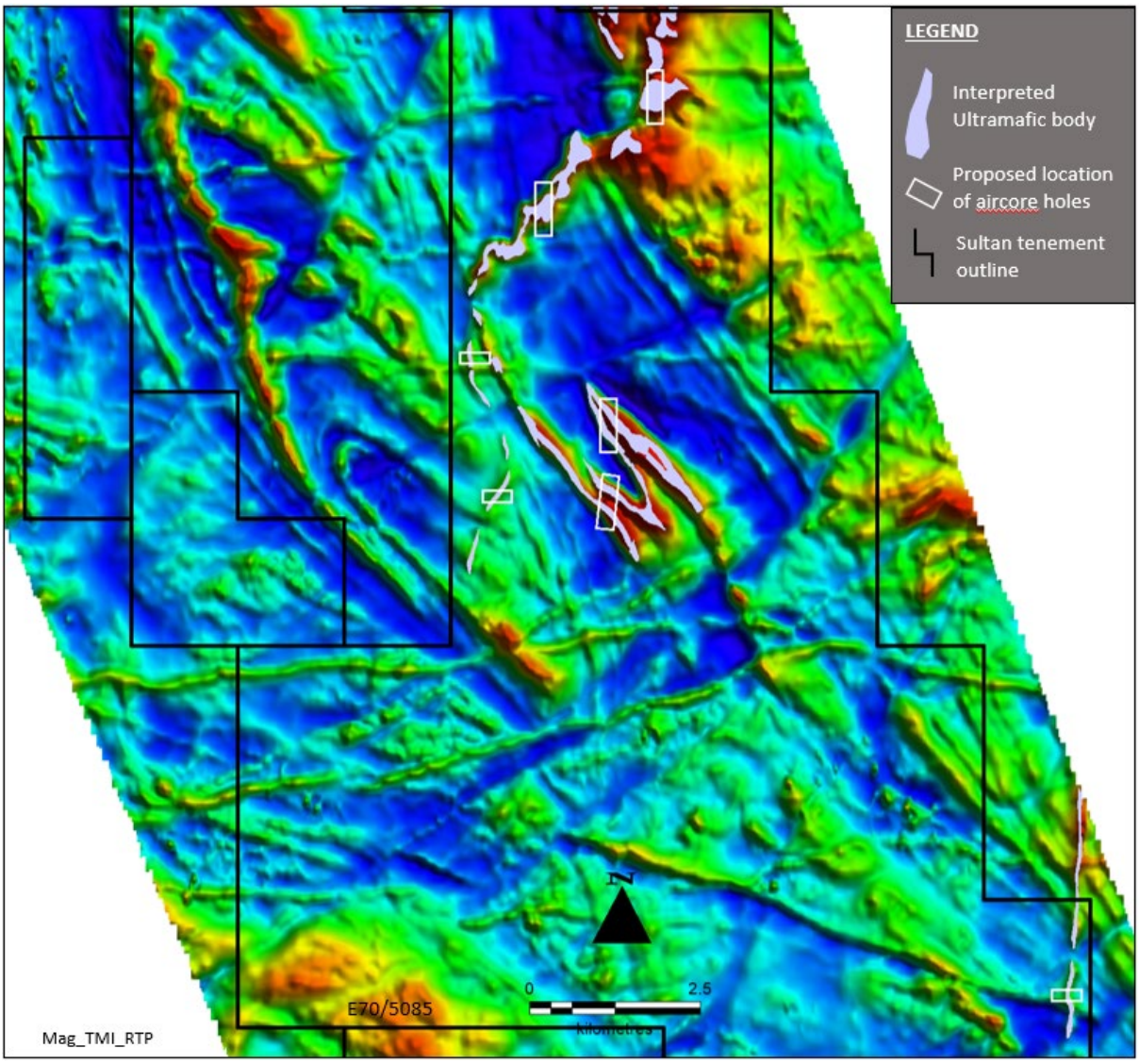

Figure 3: Location of the interpreted ultramafic bodies (purple) and positions of aircore traverses over the Total Magnetic Intensity reduced to pole image over E70/5085.

Land access negotiations are currently underway for the program and mobilisation will commence once agreements are finalised and an aircore rig secured.

Big Hill Drilling

The maiden diamond drilling campaign at Big Hill continues to progress well, and the Company shall provide updates in due course.

This announcement is authorised by Steve Groves, Sultan Resource 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. The Competent Person is not aware of any new information or data that materially affects the information contained in the above sources or the data contained in this announcement.

Disclaimer

In relying on the above mentioned ASX announcements 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 announcements.

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 east 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. Summers, K.W.A., 1969, Final Report, Corrigin Project, WA. Electrolytic Zinc Company of Australasia Limited, WAMEX Report A7659
2. Bisset, A. 2019., Kulin Hill Survey: Western Australia - Airborne Magnetic and Radiometric Survey. Sultan Resources internal Company Report
3. Bisset, A. 2019., Lake Grace Survey: Western Australia - Airborne Magnetic and Radiometric Survey. Sultan Resources internal Company Report

Note: No exploration data or results are included in this document that have not previously been released publicly. All data or results have been referenced in the text.