**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**
Suite 2, Level 1,
1 Altona Street
West Perth WA 6005

**www.sultanresources.com.au**

SULTAN
RESOURCES

## ASX ANNOUNCEMENT

29 July 2021

# JUNE QUARTERLY REPORT

For the period 1st April – 30th June 2021

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 30th June 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 – IP

Results and interpretation of the Dipole-Dipole IP survey completed at Big Hill in the March quarter 2021 were received during the quarter see ASX Announcement 29/04/2021). Located approximately 50km south of Boda and 50km north of Cadia in central western NSW, the IP Survey consisted of five ~4km long, north-south orientated dipole – dipole lines and showed distinct chargeability and coincident resistivity responses beneath the Big Hill, Razorback and Gowan Green targets.

The Big Hill chargeability response was particularly notable, with a distinct vertical chargeability anomaly approximately 1km long by 650m wide extending from the bottom of the model at a 500m depth (at 10Mv/v) to beneath the surface in the position of strongest Au, Cu and pathfinder element anomalism (Figures 1 & 2). The Big Hill IP response occurs within a distinct magnetic low embayment within the 5km long by 2.5km wide Big Hill Magnetic Complex and is surrounded by a halo of strong magnetic response.

The IP results are interpreted to represent a magnetite destructive, sulphide rich alkalic lithocap style (albite - quartz - sericite - pyrite) hydrothermal alteration zone of the type that commonly surround resistive cores of potassic alteration and Au-Cu mineralisation in typical alkalic porphyry Cu-Au systems and have greatly enhanced the prospectively of the Big Hill and Razorback targets.

### Big Hill – Drilling

During the quarter, Sultan followed up the promising IP results by drilling 3 initial diamond drill holes at the Big Hill Porphyry Au-Cu prospect (see ASX Announcement 18/05/2021). These holes were the first 3 holes of a proposed 10-hole program designed to assess the potential for the project to host porphyry-style Cu-Au mineralisation. The holes targeted the prominent IP chargeability anomaly (see ASX Announcement 29/04/2021) that lies within a magnetic low and is coincident with significant soil geochemical anomalism and aim to provide important 3-dimensional geological information to guide the subsequent 7 holes towards achieving a significant mineralised intersection.

The visual results of this drilling were released to the market subsequent to the end of the quarter (see section at the end of this document).

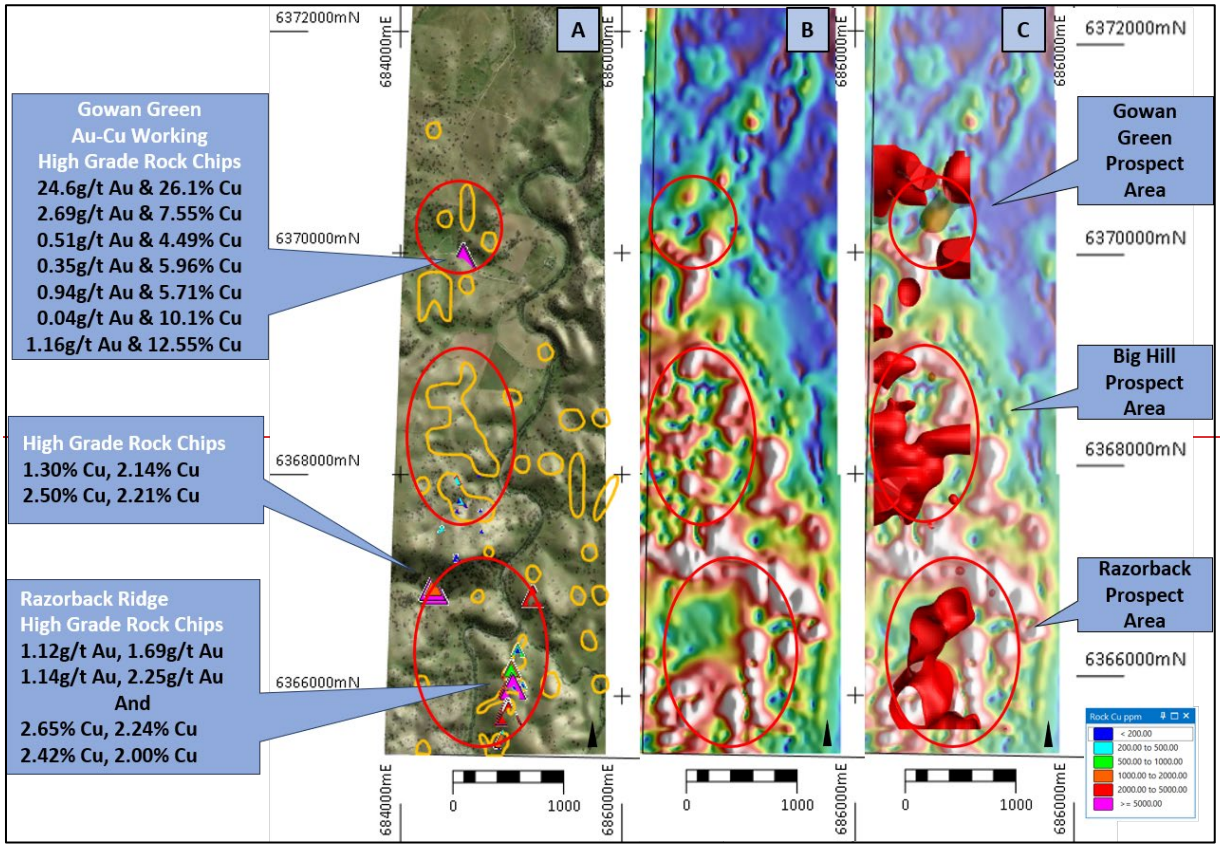



*Figure 1: A: Aerial image with 4.5bbp Au contours and Rock Chip locations, B: Airmag Image Analytical Signal Eastshade NL , C: Airmag Image Analytical Signal Eastsheade NL 40% transparent with IP chargeability wireframe isosurface 10mV/V in red*

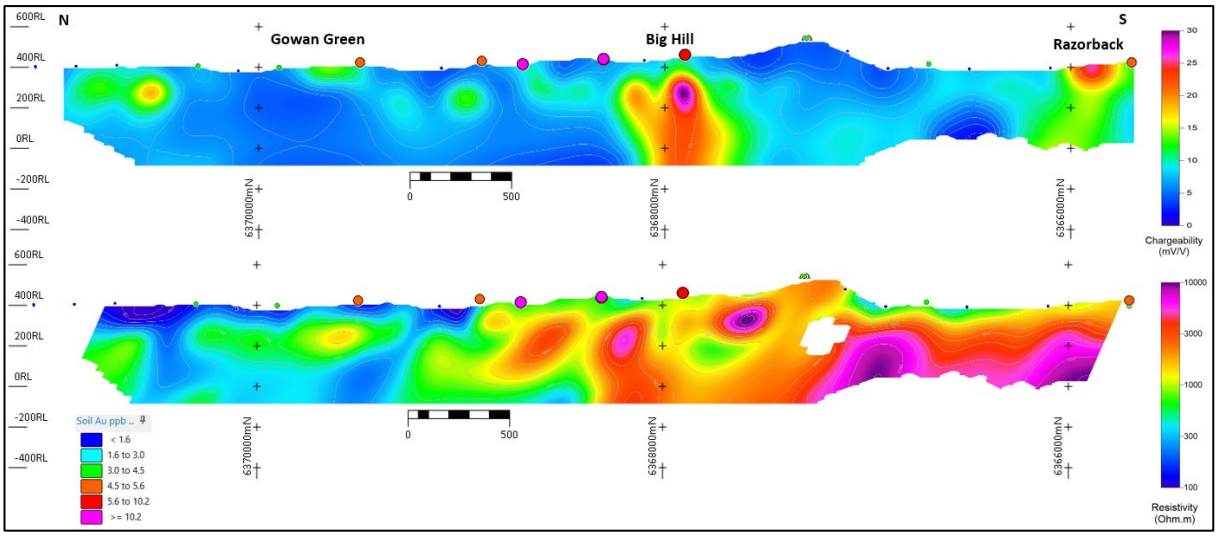



*Figure 2: Large upright IP chargeability anomaly (>10mV/V, up to 50mV/V), that extends to the base of the section with a coincident >10000 Ohm.m resistivity anomaly which may represent both pyrite in the phyllic alteration zone and/or Au-Cu mineralisation associated with a more resistive intrusive lithology*

## Tucklan - Drilling

On 12 April 2021 Sultan announced that the maiden Tucklan drill program was completed with all assay results received. The program has 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*** |

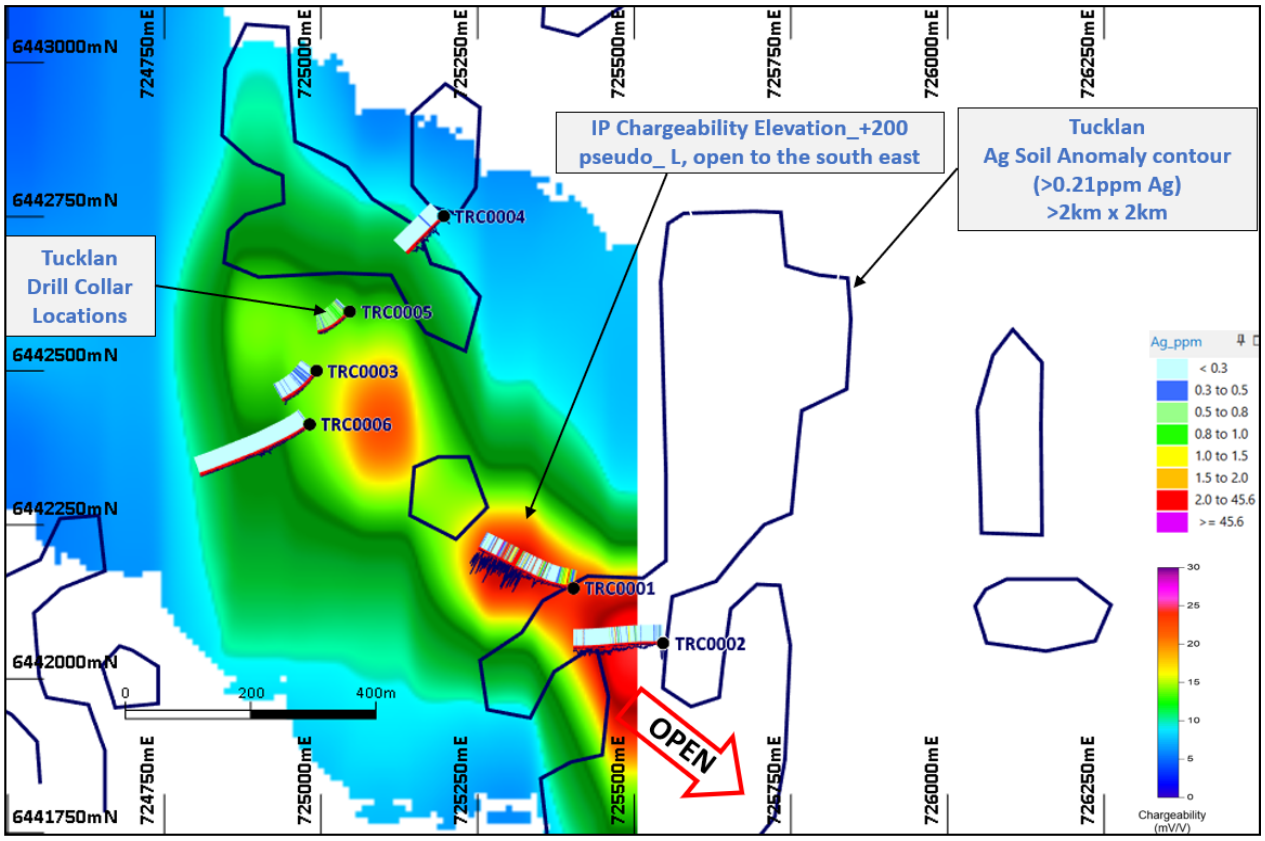



*Figure 3: Drill collar locations over IP Chargeability pseudo image with Soil Ag >0.21ppm contour (blue outline) and magnetic susceptibility plotted on the right with 5x vertical exaggeration.*

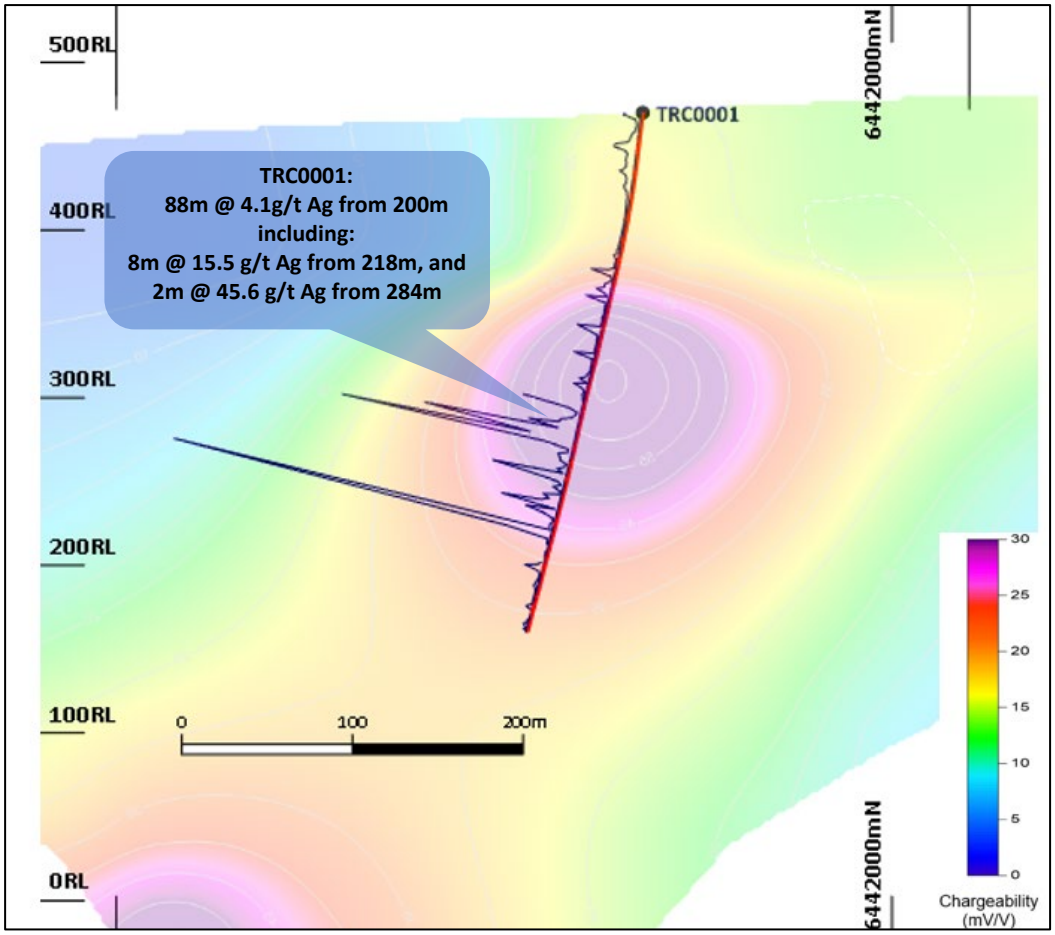



*Figure 4: Oblique IP Chargeability Section 725350mE with TRC0001 showing the drill hole Ag assays (ppm) histogram plotted on IP Chargeability cross section (60% transparent)*

## Tucklan Soil Sampling Extension

Sultan also completed further soil sampling across a 100m x 100m sample grid to the southeast of the previous soil sampling program at Tucklan during the quarter (se ASX Announcement 12/04/2021). This work has increased the size of the NW-SE striking, low level Au (>11.7ppb Au) anomaly and defined a new, large silver anomaly (>0.21ppm Ag) that extends over a 1.5km x 0.5km area immediately to the east of TRC0001 (Figures 5). Pathfinder elements associated with strong silver anomalism include Au+Ba+Be+Cd+Pb+W+Tl. The strong silver anomalism immediately to the east of TRC0001 indicates that the recent drilling has intersected the edge of a large silver-rich mineralising system and future work should focus on defining the extents and tenor of this system in the area of strongest silver anomalism.

The large gold anomaly at Tucklan is coincident with a number of key pathfinder elements such as Hg-Ag-Te-Se-Bi-W-Pb-As-Sb-Cd and historical gold workings including numerous prospecting pits, alluvial workings, a shallow shaft and adit are also evident across the zone. The recent drilling did not effectively test for the deep source of gold anomalism at Tucklan. A number of target types have now been identified across the Tucklan licence, including the recently discovered volcaniclastic-hosted silver mineralisation, the interpreted epithermal gold mineralisation indicated by rock sampling and mapping at surface (see ASX Announcement 02/06/2020) and potential deeper porphyry systems indicated by previous geophysical work at Glen Athol (see ASX Announcement 20/10/2020).

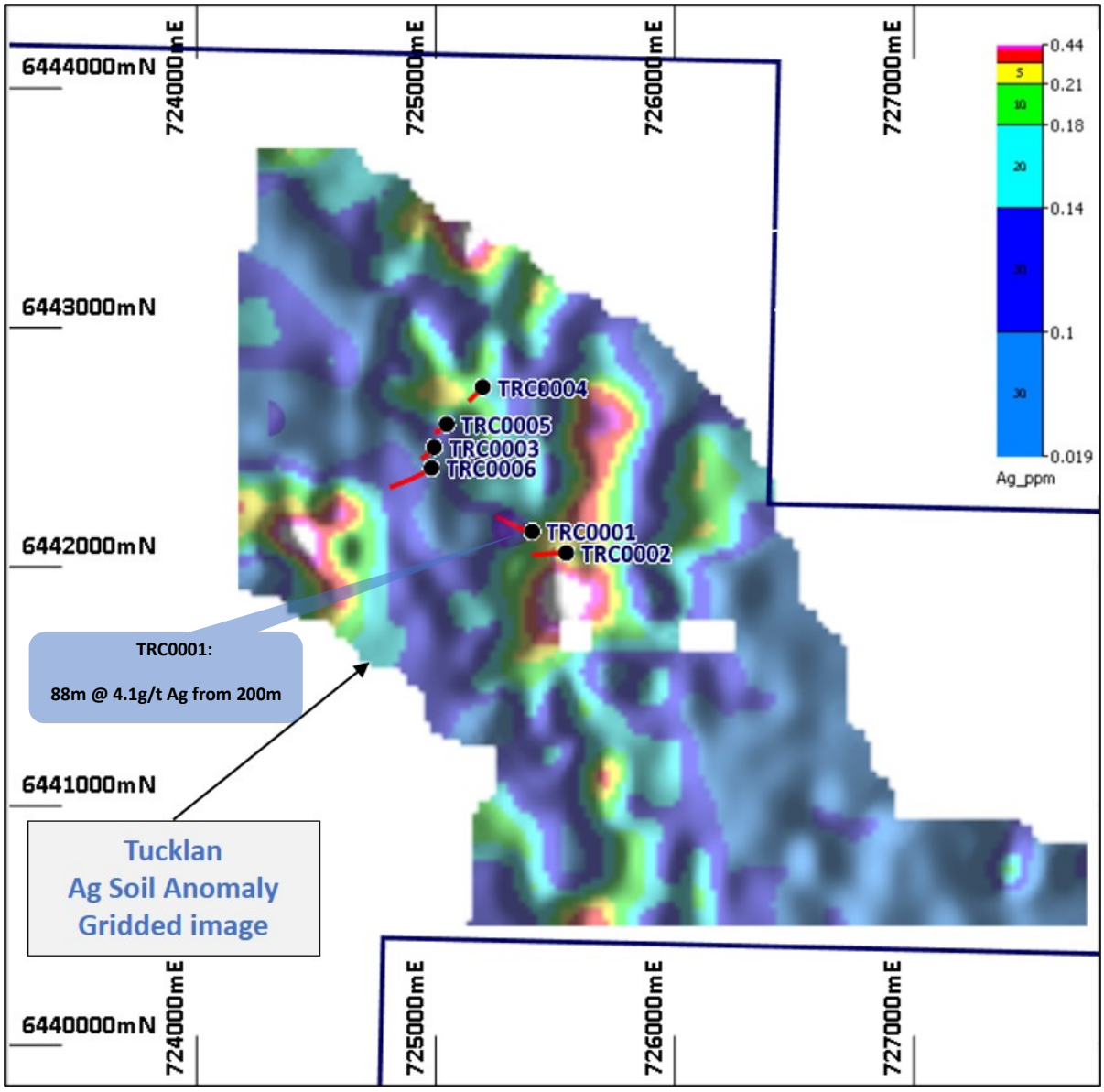



*Figure 5: Gridded image of soil Ag response in relation to the recent drilling at Tucklan. Note the elevated silver anomalism immediately to the east of TRC0001.*

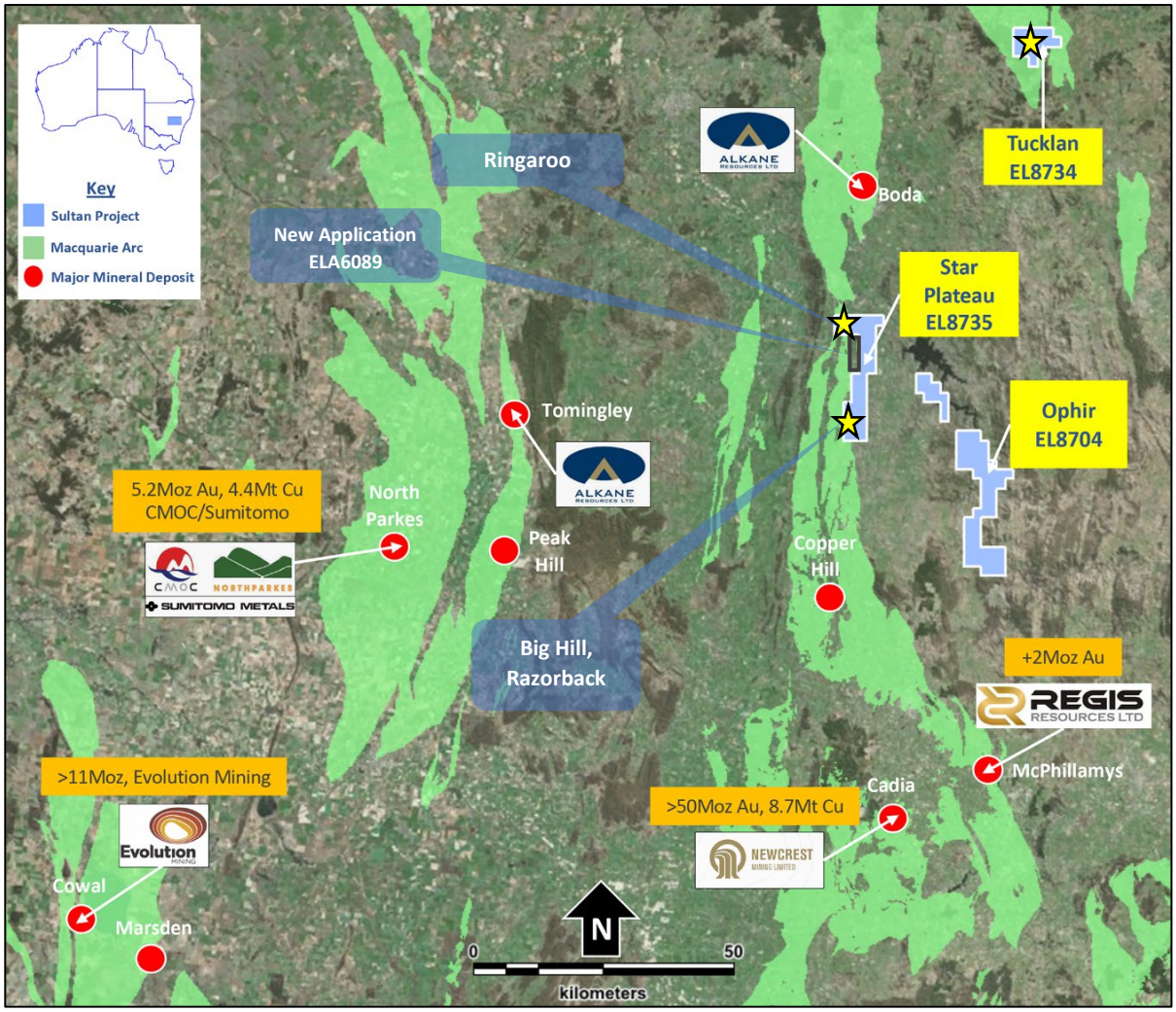



*Figure 6: Location Map – Sultan Tenements over the prospective Macquarie Arc sequence with priority targets indicated.*

## 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.

#### Aircore Drilling Program

A program totalling total of ~3,500m (final metres depend on final hole depths) of vertical aircore drill holes is proposed (see ASX Announcement 03/06/2021) 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 Announcements 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.

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. Full geochemical analysis coupled with petrographic interpretation and possible QEMSCAN testing will be undertaken on bottom of hole samples.

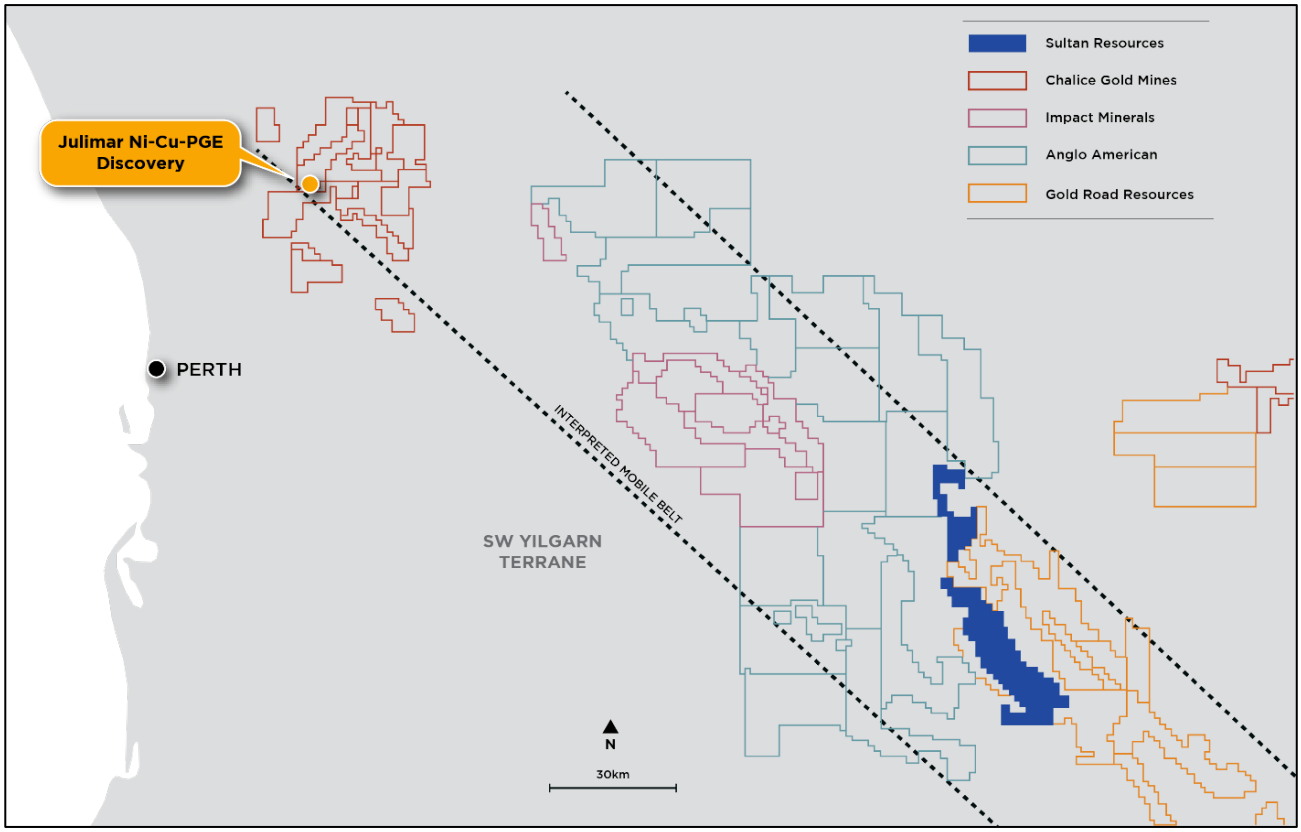



*Figure 7: Sultan's Lake Grace portfolio of tenements in relation to the recent applications by Anglo American (blue outline), Impact Minerals (maroon outline) and the Gold Road Resources/Cygnus Gold JV (orange outline). All of Sultan's tenure lies within an interpreted mobile zone prospective for Ni-Cu 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 30 June 2021 was $1.553 million.

## DATE OF AGM AND CLOSING DATE FOR DIRECTOR NOMINATIONS

The Board of SLZ advises that the Annual General Meeting of the Company will be held on Tuesday, 9 November 2021. A notice of meeting for the Annual General Meeting will be prepared by the Company and will be announced to ASX and provided to the Shareholders in due course.

The closing date for the receipt of nominations for the election of Directors is at least 35 business days prior to 9 November 2021. Any nominations must be received no later than 5:00pm (AWST) at the Company's Registered Office prior to this date.

## SIGNIFICANT POST QUARTER END ACTIVITY

### Big Hill – Drilling

Logging and sampling of the 3 diamond drill holes completed during the quarter was completed in early July and initial observations communicated to the market on the 7th of July.

### Visual Observations

BHDD001 intersected a strongly magnetic, polymictic, basaltic andesite volcaniclastic breccia, with rare basalt and micro feldspar porphyry dykes to 309.9m. The andesitic volcaniclastic breccia has undergone selectively pervasive "porphyry-style" hydrothermal alteration and shows trace amounts of bornite and chalcopyrite in some zones. The hole confirmed a prospective geological setting which is analogous to the geological setting which hosts the Cadia Ridgeway Au-Cu porphyry deposit. Although no economically significant Au or Cu assay results are expected from BHDD001, possible porphyry related alteration assemblages, including narrow zones of disseminated pyrite with sericite-chlorite-albite alteration, hydrothermal magnetite-hematite and trace amounts of bornite & pink (potassium?) feldspar in late epidote-calcite rich veins are considered highly encouraging.

BHDD002 intersected a strongly magnetic, polymictic, basaltic andesite volcaniclastic breccia to sandstone, with minor thin basalt, andesite and feldspar-pyroxene porphyry dykes & sills from 0m to ~351m. The andesitic volcaniclastic breccia to sandstone has undergone selectively pervasive "porphyry-style" hydrothermal alteration and displays early-stage pink (potassium?) feldspar-calcite-chlorite veins are cut by epidote-calcite+/- trace chalcopyrite veins & calcite-hematite+/- trace chalcopyrite+/- trace bornite veining. From ~351m to 392.8m EOH the drill hole cut a black-grey, monotonous sequence of non-magnetic, interbedded volcaniclastic sandstones and finely laminated pyritic siltstones.

The lithology types, alteration facies and mineralisation styles cut from 0 to ~351m in hole BHDD002 are consistent with the upper or outer parts of a northern Molong Belt type, silica undersaturated, alkalic, wall rock hosted, Au-Cu porphyry system such as Boda and Kaiser. In particular the increase in hematite dusted feldspar alteration ('reddening') in hole BHDD02 compared to

hole BHD001 is considered highly encouraging and was an important down hole vector which contributed to the discovery of the Cadia Ridgeway Au-Cu porphyry deposit. Trace amounts of chalcopyrite and bornite are also considered highly encouraging however are not expected to produce significant Au-Cu assay results.

BHDD003 intersected a strongly magnetic, basaltic-andesite volcano sedimentary sequence consisting of interbedded polymictic volcaniclastic breccia/conglomerate and volcaniclastic sandstone horizons from 0m to 392.6m EOH. The volcano-sedimentary package is intruded by numerous fine grained vesicular basalt, porphyritic basaltic-andesite and pyroxene – feldspar porphyry dykes and sills to EOH. The hole contains a higher density of porphyritic basalt-andesite & pyroxene-feldspar porphyry dykes and sills than holes BHDD001 & 002.

Encouraging, "porphyry-style" hydrothermal alteration and rare chalcopyrite was recorded throughout BHDD003. The strong zones of hematite dusted feldspar ('reddening') surrounding epidote veins in hole BHDD002 have not been observed in hole BHD003.

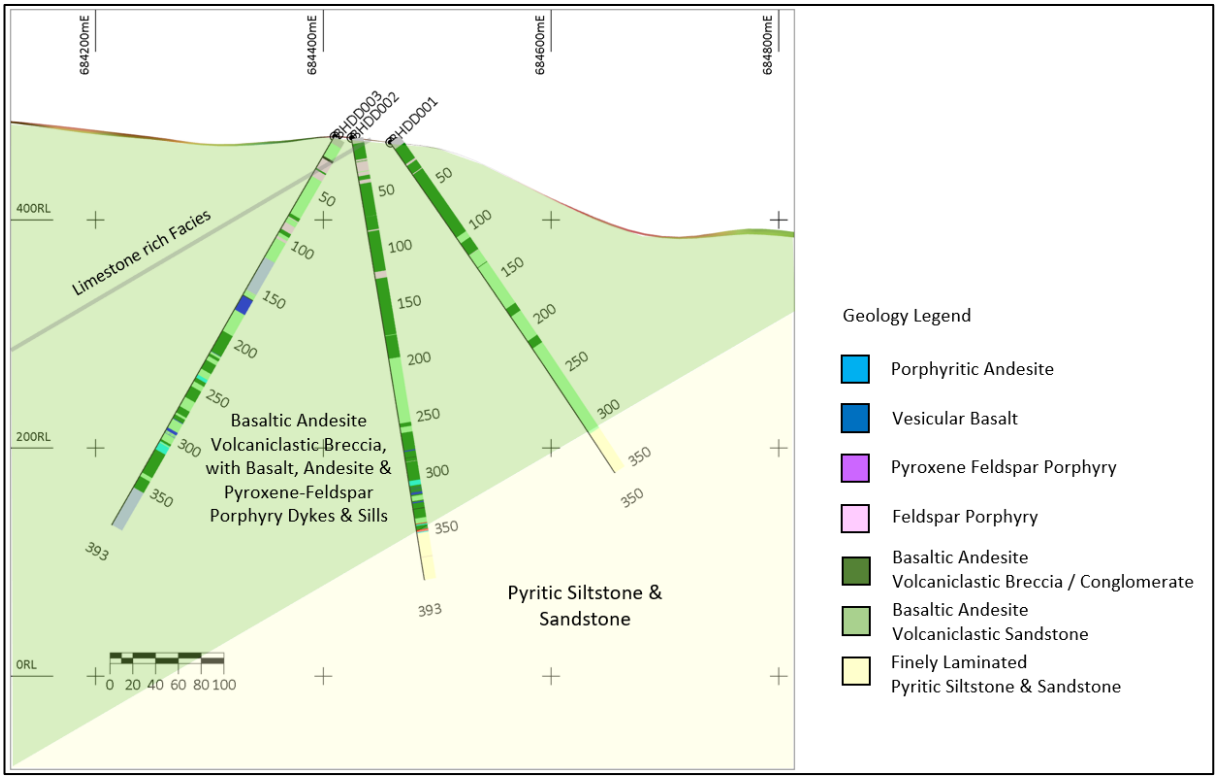



*Figure 8: Big Hill Cross Section through 6,367,900mN, looking north, showing the hole traces of the 3 initial drill holes with logged down hole lithology.*

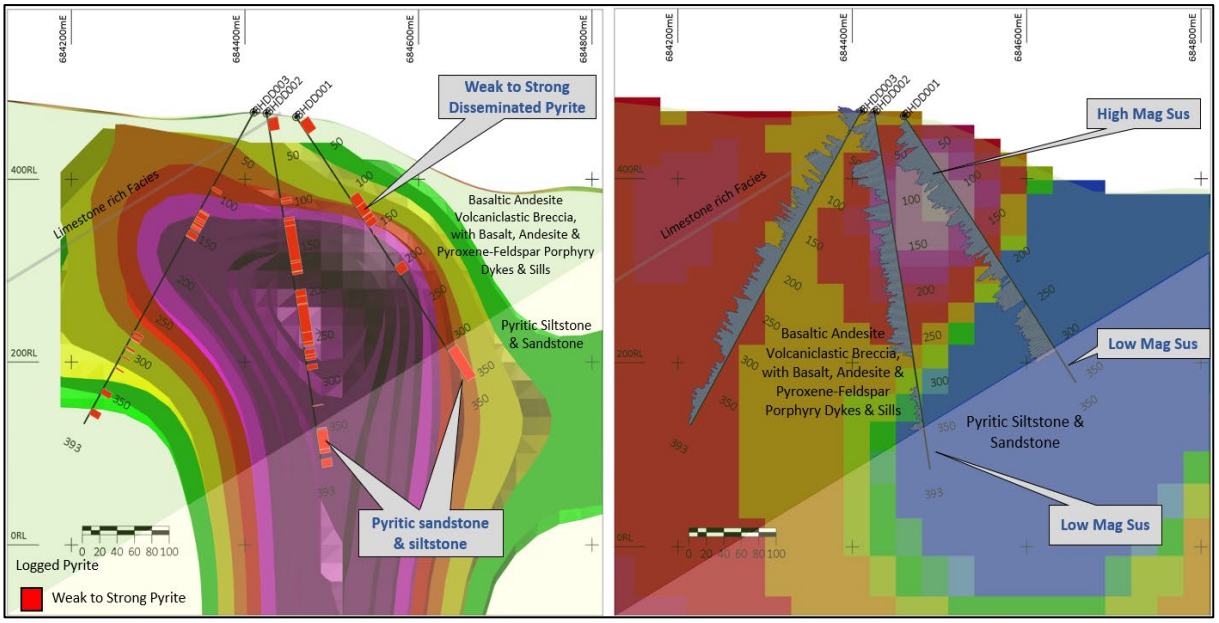



*Figure 9: Cross sections showing the geophysical characteristics of the holes against the targeted inversion models with logged down hole disseminated pyrite on the IP Chargeability model (Left) and down hole magnetic susceptibility on 3D magnetic inversion model (Right)*

Discussion

The maiden drill program at Big Hill has intersected subtle & intricate hydrothermal alteration assemblages including:

- Early magnetite, hematite dusting of feldspar 'reddening', late pyrite-sericite & calc silicate skarn,
- sulphide species with pyrite dominant over trace chalcopyrite & bornite, and
- vein types that contain rare magnetite, common epidote and are carbonate-rich/quartz poor with trace sulphides.

These features are considered highly encouraging and are interpreted as marking the outer or distal parts of an alkalic Au-Cu porphyry system.

The numerous, narrow disseminated pyrite zones in hole BHDD003 along with the zones present in holes BHDD001 & 002 help to adequately explain the upper parts of the IP chargeability high anomaly targeted on this section. The pyritic finely laminated siltstones and sandstones at the bottom of holes BHDD001 and 002 adequately explain the lower parts of the IP chargeability anomaly, hence the IP anomaly on this section is likely to be caused by two different pyrite sources.

## ADDITIONAL ASX INFORMATION

### ASX Listing Rule 5.3.1

Exploration and Evaluation during the quarter was $748,000. 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 | $48,585 |
| Company Secretarial, Registered Office and Financial Management Services | $41,234 |

## 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

| NEMENT | 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** | | |

**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 | 30 June 2021 |

| | **Consolidated statement of cash flows** | **Current quarter $A'000** | **Year to date (12 months) $A'000** |
|---|---|---|---|
| **1.** | **Cash flows from operating activities** | | |
| 1.1 | Receipts from customers | - | - |
| 1.2 | Payments for | | |
| | (a) exploration & evaluation | (2) | (19) |
| | (b) development | - | - |
| | (c) production | - | - |
| | (d) staff costs | (32) | (112) |
| | (e) administration and corporate costs | (177) | (574) |
| 1.3 | Dividends received (see note 3) | - | - |
| 1.4 | Interest received | - | 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** | **(211)** | **(699)** |

| | | | |
|---|---|---|---|
| **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 | (746) | (1,931) |
| | (e) investments | - | - |
| | (f) other non-current assets | - | - |

| Consolidated statement of cash flows | | Current quarter $A'000 | Year to date (12 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** | **(746)** | **(1,931)** |

| **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 | - | (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** | **-** | **2,178** |

| **4.** | **Net increase / (decrease) in cash and cash equivalents for the period** | | |
|---|---|---|---|
| 4.1 | Cash and cash equivalents at beginning of period | 2,510 | 2,005 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (211) | (699) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (746) | (1,931) |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | - | 2,178 |

| Consolidated statement of cash flows | | Current quarter $A'000 | Year to date (12 months) $A'000 |
|---|---|---|---|
| 4.5 | Effect of movement in exchange rates on cash held | - | - |
| **4.6** | **Cash and cash equivalents at end of period** | **1,553** | **1,553** |

| 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 | 1,553 | 2,510 |
| 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)** | **1,553** | **2,510** |

| 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 | (90) |
| 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 $48,585
Financial management and Company secretary fee paid to Director related entity $41,234

| 7. | **Financing facilities**<br>*Note: the term "facility' includes all forms of financing arrangements available to the entity.*<br>*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) | (211) |
| 8.2 | (Payments for exploration & evaluation classified as investing activities) (item 2.1(d)) | (746) |
| 8.3 | Total relevant outgoings (item 8.1 + item 8.2) | (957) |
| 8.4 | Cash and cash equivalents at quarter end (item 4.6) | 1,553 |
| 8.5 | Unused finance facilities available at quarter end (item 7.5) | - |
| 8.6 | Total available funding (item 8.4 + item 8.5) | 1,553 |
| 8.7 | **Estimated quarters of funding available (item 8.6 divided by item 8.3)** | 2 |

*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: No. The company is not expecting the same level of exploration costs over the coming quarter as the initial drill programme at Big Hill has been completed.

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: No steps have been taken nor are any proposed at this time.

| | |
|---|---|
| 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: Yes. Refer to 8.8.1. | |

*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 July 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.