Announcement Summary

Entity name

SULTAN RESOURCES LTD

Announcement Type

New announcement

Date of this announcement

17/3/2023

The Proposed issue is:

☑ A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
New class-code to be confirmed	Unlisted Options exercisable at $0.075 expiring on 30 June 2027.	7,500,000
SLZ	ORDINARY FULLY PAID	44,905,660

Proposed +issue date

19/5/2023

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

SULTAN RESOURCES LTD

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.
If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type

ABN

Registration Number

35623652522

1.3 ASX issuer code

SLZ

1.4 The announcement is

☑ New announcement

1.5 Date of this announcement

17/3/2023

1.6 The Proposed issue is:

☑ A placement or other type of issue

Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis?
☑ Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	15/5/2023	☑ Estimated	

Comments

Tranche 2 placement, lead manager options and consideration shares as part of the Ontario Lithium ground acquisition transaction which require shareholder approval.

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?
☑ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?
☑ No

Details of +securities proposed to be issued

ASX +security code and description

SLZ : ORDINARY FULLY PAID

Number of +securities proposed to be issued

10,000,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?
☑ Yes

In what currency is the cash

What is the issue price per

consideration being paid?
AUD - Australian Dollar

+security?
AUD 0.05000

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?
Yes

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?
Existing class

Will the proposed issue of this +security include an offer of attaching +securities?
No

Details of +securities proposed to be issued

ASX +security code and description

SLZ : ORDINARY FULLY PAID

Number of +securities proposed to be issued

34,905,660

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?
No

Please describe the consideration being provided for the +securities

Consideration shares to be issued as per Term Sheet for the acquisition of the Kember and Ruddy Project rights from XS Minerals Ltd, subject to satisfying conditions precedent. Please refer to the Company's ASX Announcement dated 17 March 2023 for further details.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

1,850,000.000000

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?
Yes

Is the proposed security a 'New

Will the proposed issue of this

class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?
☑ New class

+security include an offer of attaching +securities?
☑ No

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?
☑ No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?
☑ No

ASX +security code	+Security description
New class-code to be confirmed	Unlisted Options exercisable at $0.075 expiring on 30 June 2027.

+Security type

Options

Number of +securities proposed to be issued

7,500,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?
☑ No

Please describe the consideration being provided for the +securities

Joint Lead Managers Options issued as facilitation fee in relation to project acquisition and Placement.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

Will all the +securities issued in this class rank equally in all respects from their issue date?
☑ Yes

Options details

+Security currency	Exercise price	Expiry date
AUD - Australian Dollar	AUD 0.0750	30/6/2027

Details of the type of +security that will be issued if the option is exercised

SLZ : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

One fully paid ordinary share (ASX:SLZ) for each option exercised.

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

Please refer to the Company's ASX announcement dated 17 March 2023.

Part 7C - Timetable

7C.1 Proposed +issue date

19/5/2023

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

☑ Yes

7D.1a Date of meeting or proposed meeting to approve the issue under listing rule 7.1

17/5/2023

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

☑ No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

☑ No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

☑ No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

☑ Yes

7E.1a Who is the lead manager/broker?

The Joint Lead Managers for the Placement are Xcel Capital Pty Ltd and ARQ Capital Pty Ltd.

7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

Fees payable are 6% of the total amount raised and of the total value of consideration, $60,000 management fee and 7.5m Unlisted Options exercisable at $0.075 expiring on 30 June 2027, subject to shareholder approval.

7E.2 Is the proposed issue to be underwritten?

☑ No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

Consideration shares for the acquisition of two highly prospective Canadian Lithium exploration projects and Placement to fund existing projects and for working capital.

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

☑ No

7F.2 Any other information the entity wishes to provide about the proposed issue

Please refer to the Company's ASX announcement dated 17 March 2023.

7F.3 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:

☑ The publication of a cleansing notice under section 708A(5), 708AA(2)(f), 1012DA(5) or 1012DAA(2)(f)