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ASX Code: SLZ

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14th October 2022

DIAMOND DRILL HOLE COMMENCES AT KULIN HILL NICKEL PROJECT

Kulin Hill Nickel Project - WA

- **Diamond Drilling at the Kulin Hill Nickel project has commenced**
- **A single stratigraphic diamond drill hole designed to further understand the layered ultramafic stratigraphy and to test for the presence of sulphide minerals is planned**
- **Results for the first phase of aircore drilling of interpreted Ni-prospective ultramafic occurrences at Kulin Hill showed:**
    - **Up to 0.86% Ni, 575ppm Co, 1.98% Cr**
    - **Over 2.2km strike of layered ultramafic sequence**

Sultan Resources Limited (ASX: SLZ) (**Sultan** or **Company**) is pleased to announce the commencement of a deep diamond drill hole to follow up the positive aircore results generated from the Company's Kulin Hill Ni project in May (ASX Announcement 04/05/2022).

Figure 1: Drill rig in position at the stratigraphic hole at Kulin Hill

During late December 2021 and early January 2022, Sultan completed an aircore drilling program across three areas at the Company's Lake Grace Nickel Project (ASX Announcements 16/12/2021, 12/01/2022, 04/05/2022). The aircore program was designed to confirm the presence of ultramafic

rocks interpreted from the magnetics and help determine the prospectivity of the region for hosting Ni-sulphide deposits.

Three of the four holes drilled at Kulin Hill showed strongly elevated responses in elements such as Ni, Cr, Mg, Fe, S and Co that are indicative of weathered ultramafic lithology (ASX Announcement 04/05/2022). All three holes showed these strong responses throughout their entire length, indicating that the sequence is quite thick and warrants deeper testing of the fresh ultramafic sequence. Microscopic examination of the holes showed the sequence to be weathered throughout and consequently did not enable the visual identification of sulphide minerals. However, high levels of coincident MgO, sulphur and nickel in intersections in the lower portions of holes SLGCA03 and SLGCA04 provide encouragement that sparsely distributed disseminated Ni-sulphides could be present.

The successful confirmation of over two kilometres of strike of a thick mafic-ultramafic sequence containing historically reported Ni-bearing sulphides[1] at Kulin Hill has elevated the prospect to be Sultan's priority exploration target. Follow up drilling in this area is required to fully understand the layered stratigraphic sequence and to penetrate fresh rock to test for the presence of sulphide minerals.

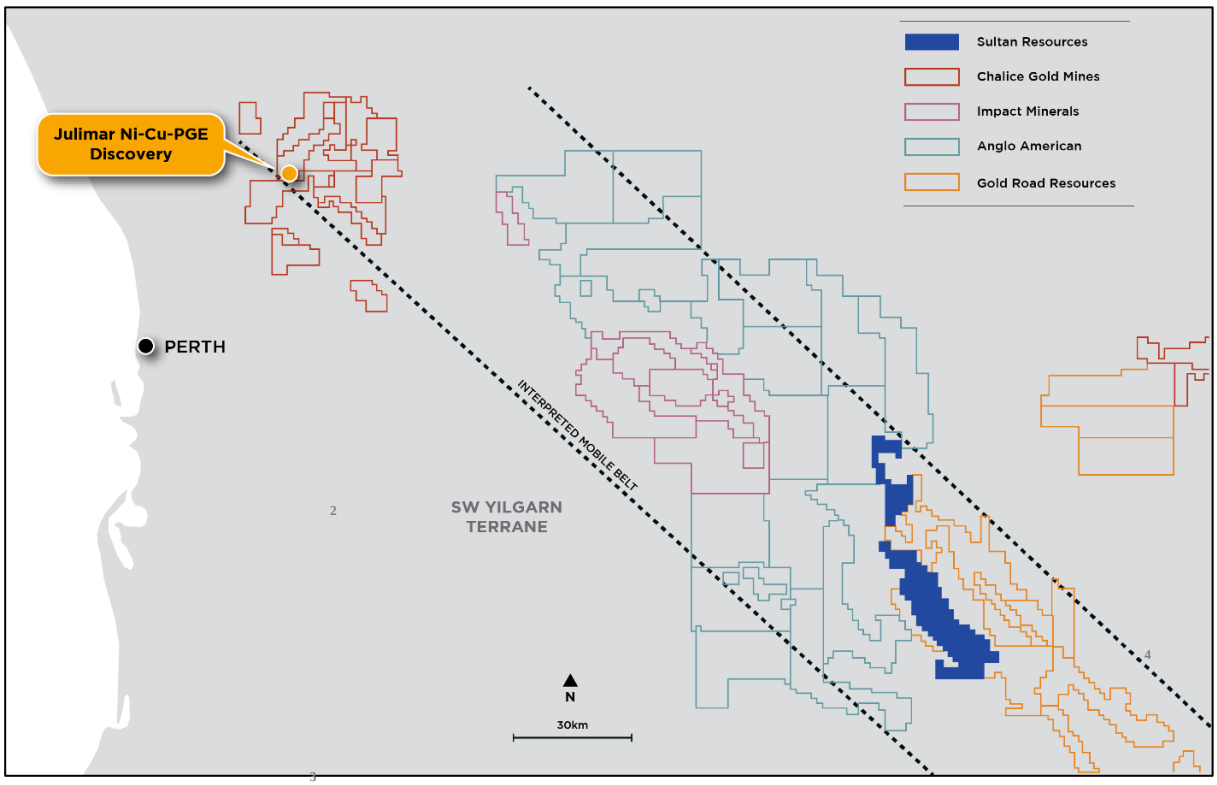

Figure 2: Sultan's Lake Grace portfolio of tenements in relation to the tenement positions of Anglo American (blue outline), Impact Minerals (maroon outline) and the Gold Road Resources/Cygnus Gold JV (orange outline). All of Sultan's tenure lies within an interpreted mobile zone prospective for Ni-Cu mineralisation as postulated by Impact Minerals Ltd (see Impact Minerals announcement dated 10/06/2020)

Drill Program Details

The company has commenced drilling of a single, deep (>500m) stratigraphic diamond hole to gather information on the nature of the layered ultramafic sequence beneath the weathering horizon and assess the potential for sulphide mineralisation in the area. The hole is collared in the vicinity of the previously drilled aircore holes and is drilling at -60^0 towards the southeast to target a strong magnetic body within the sequence as revealed by 3D inversion modelling (Figure 3). This

will be the deepest hole ever drilled at the Kulin Hill prospect and will provide the best look to date of the layered ultramafic sequence. Previous drilling has included the aforementioned aircore holes and a series of 4 diamond holes drilled ~2km to the southeast in the 1960s. The deepest of these holes reached ~265m.

Negotiations to access the full length and breadth of the body, some of which extends beneath a salt lake, are ongoing and once granted, will allow the Company to assess the full potential of the target. A work program consisting initially of electromagnetic techniques such as Fixed Loop EM or magnetotellurics (MT) will be undertaken to detect any areas of strong conductance that might mark the location of sulphide accumulation. Any conductors identified will be ranked and the priority targets drilled with either Reverse Circulation and/or diamond methods.

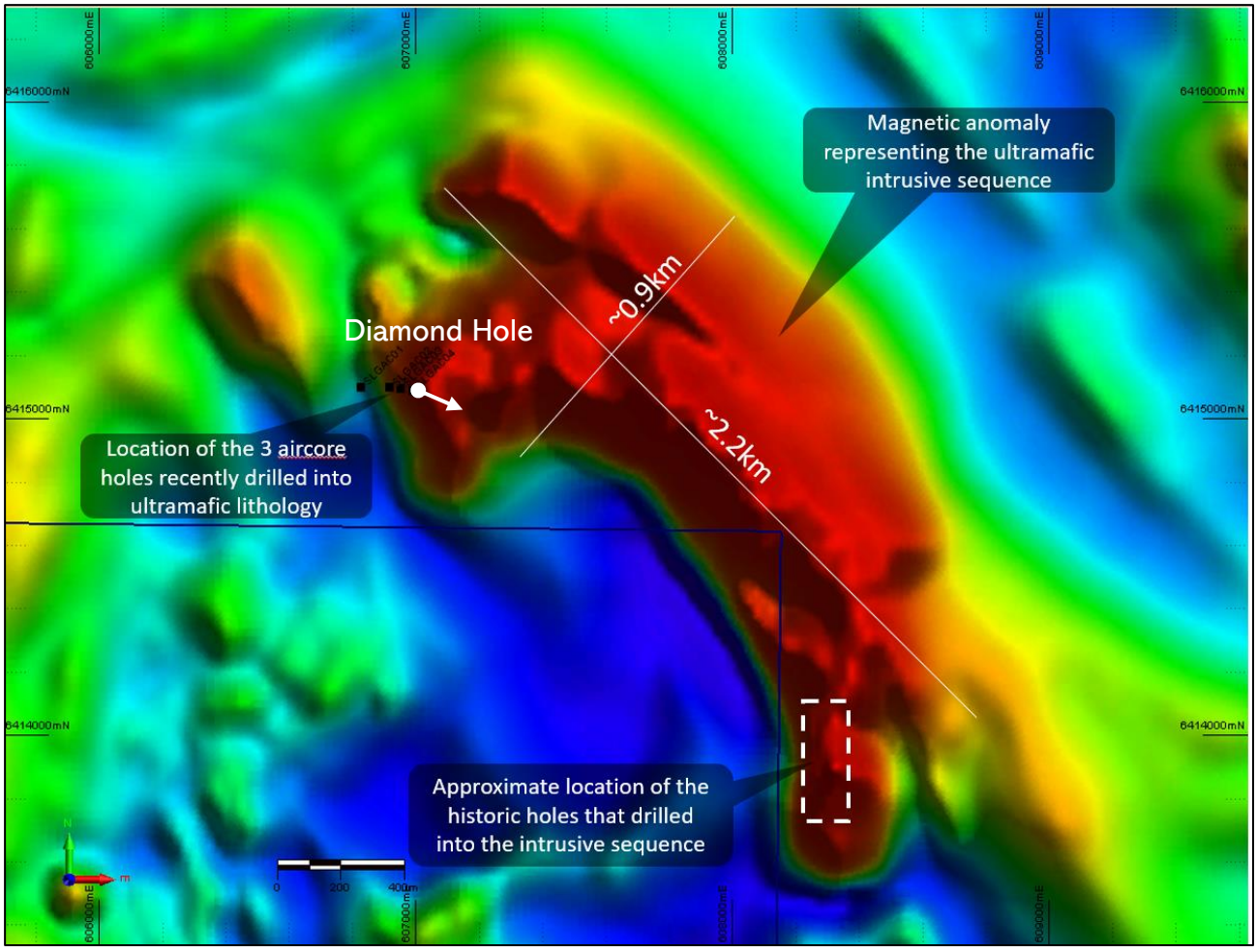

Figure 3: Plan view of the strong magnetic anomaly representing the ultramafic sequence. Sultan's recent aircore holes were completed on the northwestern edge of the body, some 2 km away from historic drilling to the southeast. The current diamond hole is indicated by the white trace.

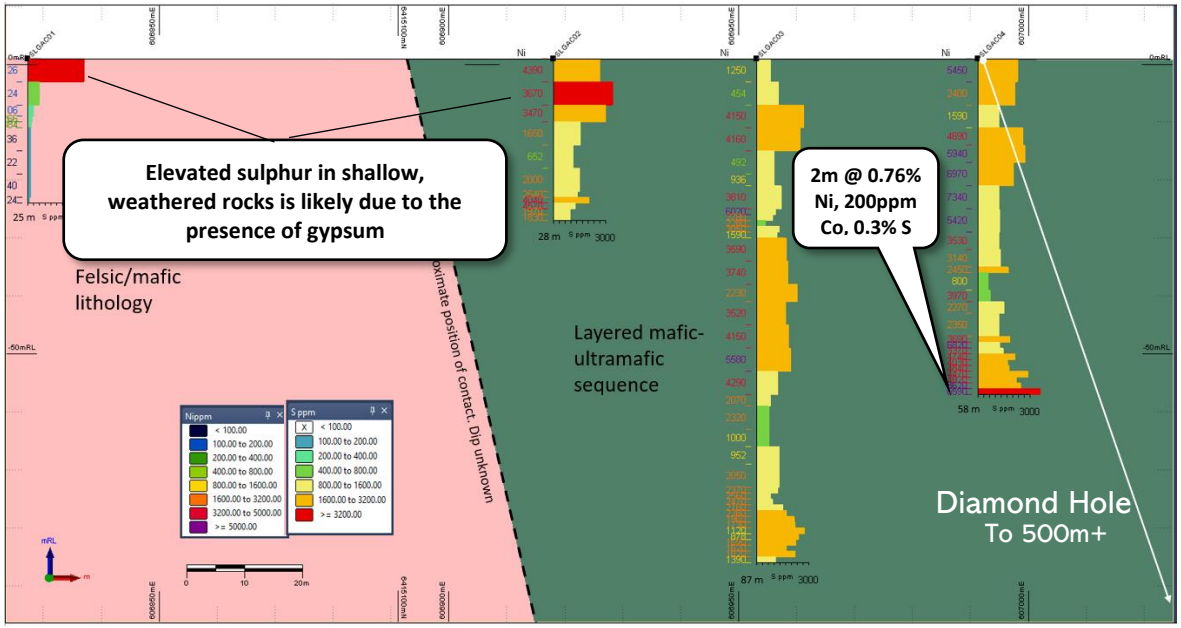

Figure 4: Cross section, looking north, of the three aircore holes drilled into the ultramafic sequence. The drill traces show Ni ppm values down the left side and S% on the right. Of particular note is the increase in sulphur towards the bottom of holes 03 and 04 in less weathered material and coincident with elevated Ni levels. The white trace shows the position of the recently commenced stratigraphic diamond hole

This announcement is authorised by the Board of Sultan Resources Ltd

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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 a non-Executive Director 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 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.

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. Muskett, R., 2001, Annual and Final Report E70/2029, My Casino Ltd, WAMEX Report A63529