



SULTAN RESOURCES

ASX ANNOUNCEMENT

6th February 2024

NON-RENOUNCEABLE ENTITLEMENT OFFER TO RAISE \$691,553

Sultan Resources Limited (ASX: SLZ) (**Company**) is pleased to announce that it is undertaking a pro-rata non-renounceable entitlement issue of one (1) share (**New Share**) for three (3) existing shares held by eligible shareholders at an issue price of \$0.014 per New Share to raise up to \$691,553 (before costs), together with one (1) free-attaching listed option (exercisable at \$0.03 and expiring 3 years from the date of issue) (**New Options**) for every three (3) New Shares subscribed for and issued (**Offer**).

The Offer is being made to all shareholders of the Company named on its register of members at 5:00pm (WST) on 9 February 2024 (**Record Date**), whose registered address is in Australia or New Zealand. A total of 49,396,683 New Shares and 16,465,561 New Options will be issued pursuant to the Offer (assuming no other shares are issued prior to the Record Date).

All New Shares issued will rank equally with existing shares on issue. Any fractional entitlements arising from the Offer will be rounded down. The Company will seek quotation of the New Options subject to satisfying the quotation requirements set out in Chapter 2 of the ASX Listing Rules.

A transaction specific prospectus in relation to the Offers will be lodged with ASIC on 6 February 2024 (**Prospectus**) and will be despatched to eligible shareholders on 14 February 2024.

Use of Funds

The funds raised from the Offer will be used towards:

- groundwork for Canadian Lithium assets;
- preparation for drilling at Kulin Hill prospect;
- general working capital purposes; and
- expenses of the Offers.

Underwriting and sub-underwriting agreements

The Offer is being fully underwritten by Still Capital Pty Ltd (ABN 33 647 521 603) (**Underwriter**). The Company has entered into an underwriting agreement with the Underwriter to act as the underwriter to the Offer (**Underwriting Agreement**). The material terms and conditions of the Underwriting Agreement are as follows:

- the Underwriter has agreed to fully underwrite the Offer up to a value of \$691,553 (being the total amount to be raised under the Offer);



- the Underwriter (or its nominee) will receive up to 16,465,561 New Options (**Underwriter Options**) as consideration for fully underwriting the Offer, which represents one (1) New Option for every three (3) New Shares underwritten;
- the Underwriter and Company may appoint sub-underwriters to sub-underwrite the Offer. The Underwriter will be responsible for any fees payable to any sub-underwriters or other parties involved in the Offer introduced by the Underwriter or the Company; and
- the obligations of the Underwriter to fully underwrite the Offer are subject to satisfaction of certain conditions precedent that are customary for an agreement of this nature. If those conditions are not satisfied or if certain termination events occur, the Underwriter may terminate the Underwriting Agreement.

The Underwriter has entered into a sub-underwriting agreement with Director, Mr Jeremy King to sub-underwrite the Offer up to the value of \$40,000 (being 2,857,142 New Shares and 952,380 New Options) (**Sub-Underwriting Agreement**). Mr Jeremy King will receive a 4% sub-underwriting fee on the amount sub-underwritten and (subject to shareholder approval) 952,380 Underwriter Options.

Further details regarding the terms and conditions of the Underwriting Agreement and Sub-Underwriting Agreement (including the termination events) are set out in the Prospectus and accompanying Appendix 3B to this announcement.

The Directors intend to subscribe for their full entitlement under the Offer.

Lead Manager

The Company has engaged Xcel Capital Pty Ltd (ACN 617 047 319) and ARQ Capital Pty Ltd (ACN 135 397 796) to act as Joint Lead Managers of the Offer (**Joint Lead Managers**). The Company has agreed to pay the following fees to the Joint Lead Managers (and/or its nominees):

- a management fee of \$60,000 (plus GST) for its services in managing the Offer; and
- subject to shareholder approval, 10,000,000 Options issued on the same terms as the New Options.

Timetable

The proposed timetable for the Offer is set out below:

EVENT	DATE
Announcement of the Offers and lodgement of Appendix 3B with ASX	Tuesday, 6 February 2024
Lodgement of Prospectus with ASIC and ASX	Tuesday, 6 February 2024
Ex date	Thursday, 8 February 2024
Record Date for determining Shareholders entitled to participate in the Offer	Friday, 9 February 2024
Prospectus and Entitlement and Acceptance Form despatched to Eligible Shareholders, and Company announces that this has occurred	Wednesday, 14 February 2024



Opening date of the Offer	Wednesday, 14 February 2024
Last day to extend Closing Date of the Offer	Tuesday, 20 February 2024
Closing Date (5:00pm WST)*	Friday, 23 February 2024
Securities quoted on a deferred settlement basis	Monday, 26 February 2024
Last day for the Company to issue the Securities under the Offers and lodge an Appendix 2A**	Friday, 1 March 2024

Notes:

* The Directors may extend the Closing Date of the Offers by giving at least three (3) Business Days' notice to ASX prior to the Closing Date. As such the date the Securities are expected to commence trading on ASX may vary.

**Quotation of the New Options is subject to the Company satisfying the quotation requirements set out in Chapter 2 of the ASX Listing Rules.

This announcement is authorised by the Board of Sultan Resources Ltd

For further information contact:

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About Sultan Resources

Sultan Resources is an Australian exploration company with a portfolio of quality assets in emerging discovery terranes. Sultan's tenement portfolio includes recently acquired lithium-prospective claims in NW Ontario in Canada; a tenement package in the southern terrane region of the Yilgarn Craton in the eastern wheatbelt of Western Australia with priority nickel-cobalt and gold targets, where Rio Tinto have recently formalised a farm-in JV on a central tenement; and tenements located in the highly prospective east Lachlan Fold Belt of Central NSW considered prospective for copper and gold. Sultan's board and management is committed to the responsible discovery of metals via modern exploration techniques, and to add value to these projects for the benefit of the company and its shareholders.