Sultan Resources Ltd

CORPORATE DETAILS

ASX Code: SLZ

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SULTAN
RESOURCES

ASX ANNOUNCEMENT

14th March 2024

CALESI PROSPECT DRILLING COMPLETED

- **Two Reverse Circulation (RC) holes totalling 560m completed at Calesi prospect, approximately 5km south-west of Kulin in the wheatbelt of WA.**
- **Calesi Prospect defined by late time EM anomaly established by regional EM airborne survey and close spaced heli-borne EM.**
- **Both holes are cased for Downhole (DH) EM, which has commenced.**
- **Exploration activities funded by Rio Tinto Exploration pursuant to its farm-in to the project.**

Sultan Resources Ltd (ASX:SLZ, **Sultan** or **Company**) is pleased to advise that initial RC drilling of the Calesi prospect near Kulin, WA, has been completed.

Two holes (CLRC001-002) were drilled to depths of 210 and 350m respectively. Both holes have been cased for Downhole Electromagnetic (DHEM) surveys, which commenced this morning, and will take several days to complete.

Drilling intercepted bands of variably silicified and occasionally sulfide-rich mafic amphibolite, interbedded with a felsic unit, provisionally identified in the field as a tonalite, passing to a granitic basement at around 300m downhole. The dominant sulfide was pyrrhotite, and no visible support for magmatic nickel sulfides was observed in drilling.

The Company has submitted samples to ALS laboratory for gold and multi-element analysis. Results are being expedited and are expected in around two weeks. The Company will inform the market with additional information as it and farm-in partner Rio Tinto Exploration work through the data.

Photo 1: Hagstrom Drill rig completing CLRC002 at Calesi Prospect, south-west of Kulin, WA

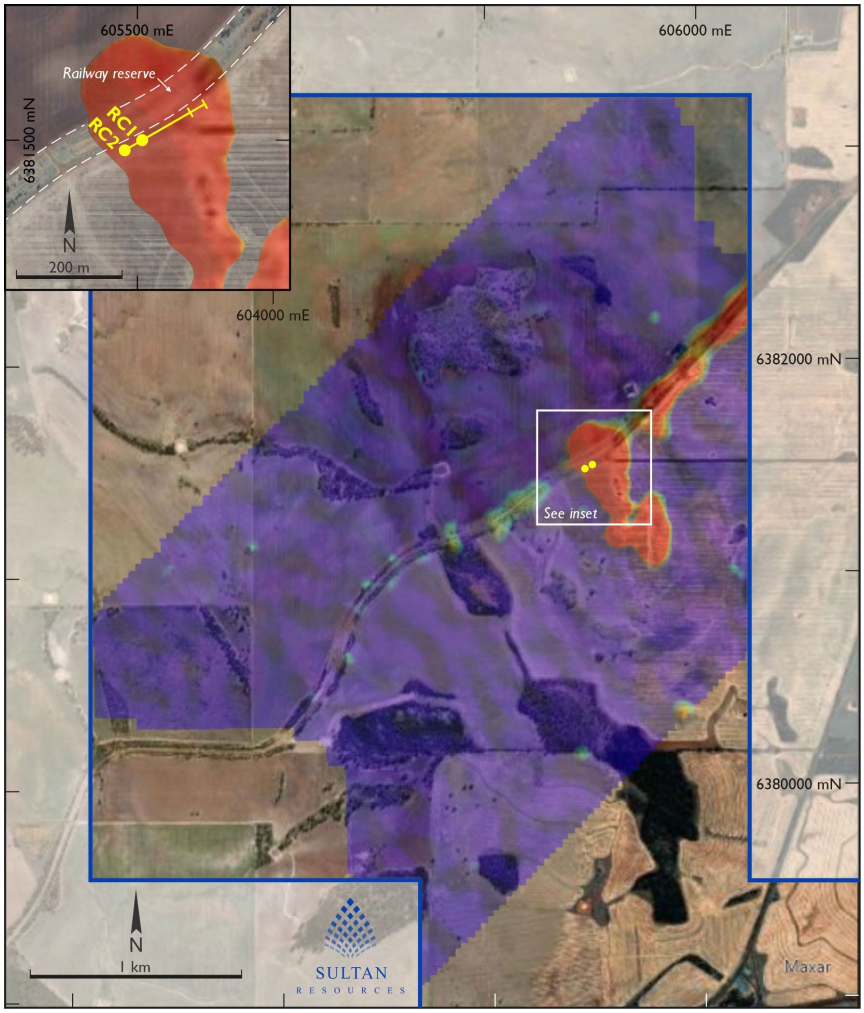

Figure 1: Channel 24Z EM response image overlain on aerial photography and magnetic response, with tenement E70/5082 highlighted. Initial two hole RC drill traverse highlighted in inset.

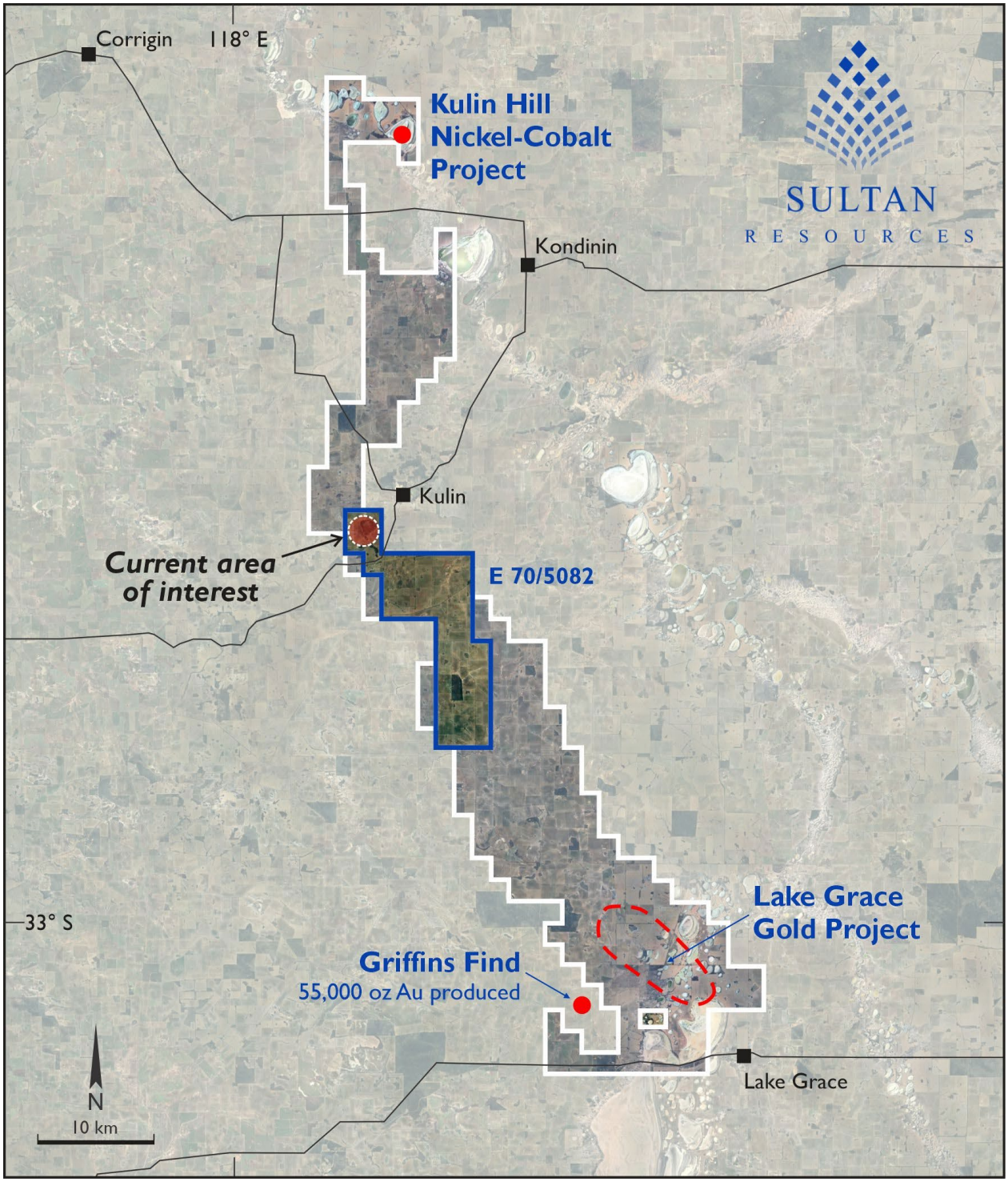

Figure 2: Overview Plan of Sultan's Kondinin-Lake Grace Project in the Southwest Terrane of WA, with RTX farm-in/JV tenement E70/5082 and current area of interest highlighted.

TABLE 1: Drill Hole details- Calesi Prospect

HOLE_ID	Northing	Easting	RL (est)	Dip	Azimuth	Depth
CLRC001	6381500	605510	332	-60	060	210
CLRC002	6381481	605477	332	-60	060	350

Previous ASX announcements related to this Project are listed below:

SLZ:ASX announcement 21/06/23: "Rio Tinto and Sultan enter into Option and JV Agreement"
SLZ:ASX announcement 16/08/23: "Helicopter EM Survey Commences at Rio-Sultan Ground"
SLZ:ASX announcement 24/10/23: "EM Survey Confirms Significant Geophysical Anomaly"
SLZ:ASX announcement 14/12/23: "Calesi Nickel Prospect Update"
SLZ:ASX announcement 20/02/24: "Calesi Drilling Preparations Update"
SLZ:ASX announcement 6/03/24: "Calesi Nickel Prospect Drilling to Commence"

The Company offers the following proximate cautionary statement in respect of visual estimates:

> 'Visual estimates of mineral abundance should never be considered a proxy or substitute for laboratory analyses where concentrations or grades are the factor of principal economic interest. Visual estimates also potentially provide no information regarding impurities or deleterious physical properties relevant to valuations.'
>
> Discussion of visuals estimates: Observed pyrrhotite mineralisation was typically disseminated, very rarely massive, with typical concentrations of 1-2% to a maximum of 15% in mafic amphibolite units. Pyrite and rare chalcopyrite was also observed in logging. Initial assay results for 5m composite samples are expected by end of March.

This announcement is authorised by the Board of Sultan Resources Ltd

For further information contact:

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Competent Persons Statement

The information in this ASX Announcement that relates to Exploration Results is based on information reviewed and compiled by Mr Craig Hall, a Competent Person who is a Member of the Australian Institute of Geoscientists (#1748), and a full-time employee of Sultan Resources. Mr Hall 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 Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Hall consents to the inclusion in this Announcement 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 abovementioned announcement.

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 Exploration 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.

JORC CODE, 2012 EDITION – TABLE 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	Commentary
Sampling techniques	• RC Drilling- This release: • Reverse Circulation (RC) Drilling was completed by an experienced crew from Hagstrom Drilling out of Perth, in line with industry standard outcomes. • Sample representivity was ensured by collecting a standard sample weight from a standard depth following a standardised sampling protocol. • Reverse circulation drilling was used to obtain 1m samples from which 3 kg was pulverised to produce a sample for acid digestion and multi element analysis and 30 g charge for fire assay where appropriate. --- • Helicopter-borne time domain electromagnetic and magnetic survey (“HTDEM’’) was conducted by New Resolution Geophysics, and acquired with a ‘Squirrel’ Airbus model AS350-B3 helicopter using Xcite Concentric Tx-Rx with streamed sample rate. • SKYTEM data represented the first phase of the AusAEM2020 (WA) survey flown with a with a rotary aircraft contracted to Geoscience Australia, using the SkyTEM® airborne electromagnetic system. The survey was flown at a 20-kilometre nominal line spacing over the most south-western part and down to the southern coast of Western Australia. • The accompanying data package, titled “AusAEM-WA, Southwest-Albany Airborne Electromagnetic Survey Blocks:: SkyTEM® airborne electromagnetic data and GALEI inversion conductivity estimates”, was released on 4 November 2021 by Geoscience Australia (GA) and the Geological Survey of Western Australia (GSWA).
Drilling techniques	• Reverse Circulation drilling conducted with Schramm T685i, onboard Sullair 20/12 STR - 2 stage, 1350 cfm @ 350 psi, 1150 cfm @ 500 psi; supported by an Auxiliary Air Truck with Sullair 900XHH/1150XH Air Compressor – and Ox Engineering TSD1024 Booster. All samples drilled dry, except 2 single metres on delayed rod changes on CLRC002 (271m, 319m), and stronger inflow at 289m, which was corrected for.
Drill sample recovery	• Visual inspection of the RC sample volume indicates sample recovery was excellent and consistent. • All samples drilled dry with minimal clayey component. All RC samples are visually checked for recovery, moisture, and contamination • No potential for sample bias was observed, with no fine/coarse separation
Logging	• Holes drilled were logged to a level to support appropriate future Mineral Resource estimation, mining studies, and metallurgical studies. • Logging considered qualitative; chip trays photographed and retained. • 100% of drilled intervals logged (560m total).
Sub-sampling techniques and sample preparation	• Non-core drilling, sampled dry through Cone splitter; Cyclone routinely checked during drilling; • Samples retained in 600mm x 900m green plastic bag, with a prenumbered 300mm x 380mm calico split from cyclone. Drill sampling preparation techniques considered to be appropriate and in line with industry-standard practice. • Standard certified reference materials employed. • No field splits taken for first pass exploration drilling. Laboratory duplicates anticipated. • Sample sizes are considered appropriate to the grain size of the material being sampled.
Quality of assay data and laboratory tests	• All samples split by lab riffle splitter if >3kg. (ALS SPL-21), then 3kg pulversised to 85% <75um (ALS PUL-23). 5m Composites assayed by ME-MS61, and Au by Au-ICP21 (30gm charge fire assay). Overlimit readings to be resolved by ME-OG62. Techniques considered total digestion • An Olympus Vanta pXRF on 2 beam geochemical setting was utilised to assist logging, and checked before daily deployment. pXRF unit sampled fines sieved from plastic bags and placed in chip trays for assessment then disposed.

Criteria	Commentary
	• A Kintor KT10 mag sus unit was deployed to record individual metre readings through the side of the calico sample bag to assist logging.
Verification of sampling and assaying	• A Geostats standard was utilised, along with a geochemical standard run as a blank. Standards and blanks were inserted at a minimum of two per 25 samples submitted. No external checks to date. • Logging recorded straight to Acquire client on Toughbook. • Sample data recorded on paper logs, originals retained, data entered digitally received offsite in Perth, and checked against originals, retained digitally on server.
Location of data points	• RC Drilling- This release: • Drill collars laid out and recorded/photographed with handheld GPS (Garmin GPS Map 67). Locations considered accurate to within 2.5m. Downhole surveys taken in continuous read mode using north-seeking REFLEX gyro tool. Holes typically swung moderately south and steepened at depth, not considered material to the objective of this drilling. • Datum GDA94 MGA Zone 50 is used for all reporting and maps in this announcement. • Current topographic control estimated at +/- 3m from GPS. _____ • NRG Excite system coordinates are generated from onboard GPS input from Novatel DL-V3L1L2 unit with differential correction, survey planned at around 35m above ground, with target accuracy for the helicopter ± 10m from the planned elevation, using radar altimeter SF-01. Project locations fall in UTM Zone 50.
Data spacing and distribution	• RC Drilling- This release: Single drill traverse comprising 2 holes 40m apart. First hole was planned to confirm the nature of the EM anomalism, with the second deeper hole planned to confirm the geometry of the anomalism, covering possible vertical orientations. _____ • NRG Excite system 100m survey line spacing; 30 to 40m flying height above ground level; line orientation 045/225 • The publicly available regional AusAEM data was based on a nominal ~20km line spaced survey, flying east-west.
Orientation of data in relation to geological structure	• RC Drilling- This release: • 060 considered optimal for drill traverse normal to anticipated longitudinal axis of geophysical anomaly. Initial plate modelling of Excite data suggested a westerly dip in the vicinity of the initial drilling. • Planning of drilling considered both flatter and steeper geological structures. • No sampling bias established at this early stage. _____ • 045/225 was initially considered approximately normal to anticipated longitudinal axis of geophysical anomaly for planned flight path of and supported by results.
Sample security	• Samples for analysis collected in numbered polyweave bags under direct control of Exploration Manager, then transported by same to ALS laboratory in Malaga for sample preparation and analysis.
Audits or reviews	• No audits or reviews of sampling techniques or data undertaken.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	Commentary
Mineral tenement and land tenure status	• E70/5082 is granted and in good standing. The Company has recently received a 5 year Extension of Term until 2028 for this and surrounding tenements in its Kulin-Lake Grace Combined Project. • The Company announced terms of an option and farm-in arrangement with Rio (RTX) via ASX:SLZ ann. dated 21st June 2023. • The tenement principally overlies freehold farming properties. A Land Access has been signed with the landowner for the Calesi prospect • A portion of the target falls within a 60m wide railway reserve- Land ID 3110021, being part of the Tier3 Narrogin-Kulin rail line, closed since 2013. As part of the grant of tenure the Company cannot drill within 30m of the reserve without Ministerial approval, which is being sought. • Approval to drill the prospect has been granted by the Ballardong Group, in line with the AHA for the tenement.
Exploration done by other parties	• Not Applicable, AusAEM survey discussed previously. • A graphite occurrence (SO232032) in MINDEX was noted by Simpson (1951- Minerals of Western Australia- v2) in a granitic gneiss reported by contain up to 2.7% graphite in lenses with scattered flakes, originally located proximal to Calesi. Review of the location from the original source was inconclusive, but likely placed the occurrence further SW of Calesi by up to 2km, which better matched interpreted geology, and was well outside of the extent of the Excite EM survey. The low percentage of graphite was also considered to be unlikely to be the source of strong EM anomalism. The Company notes that MINDEX records have recently independently been updated to better reflect the likely position of the Kulin graphite occurrence.
Geology	The Company is targeting: • Gold mineralisation in greenstone terranes of Archaean age. • The previously conceptualised magmatic nickel sulfide mineralisation was not supported by logged geology in the drilling.
Drill hole Information	• Refer Table 1.
Data aggregation methods	• No data aggregation anticipated; composite sampling employed to assess for mineralised zones of interest
Relationship between mineralisation widths and intercept lengths	• Not known at early exploration stage
Diagrams	• Refer to figures and images included in this report. Cross sections to follow in additional releases after further interpretation.
Balanced reporting	• Further detail can be gained from reports referenced or from individual company website.
Other substantive exploration data	• More detailed geological review will follow in subsequent reporting
Further work	• Discussed in this report.