

November 4, 2010

The Manager,
Company Announcement Office,
Australian Stock Exchange Limited.

AQUATERRA ENGAGED TO UNDERTAKE WATER SUPPLY STUDY AT PEELWOOD

The directors of Sultan Corporation are pleased to announce that Aquaterra Consulting Pty. Ltd of Chatswood, New South Wales has been engaged to undertake a Water Supply and Water Balance Study for Sultan's 100% owned Peelwood North Copper Zinc Project located 75km south of Bathurst in central New South Wales.

Aquaterra is a water resources and environmental consultancy that specializes in mining-related water studies. It has recently completed studies of water supply options at other similar poly-metallic projects in NSW, including Broula King and Copper Hill.

The study will be a staged process and will initially focus on surface water to provide a secure water supply. It will involve catchment analysis to ascertain if the site can reliably deliver the required water supply via surface runoff, capture and storage. This will take account of harvestable rights requirements embodied in the water legislation and will include water balance modelling assuming a conservative dry weather scenario. It will also include a cost estimate for the acquisition of the required water. The study should take approximately one month to complete.

The water study is last of the major studies required to obtain the information necessary to prepare the Environmental Impact Statement (EIS) in accordance with the Director-General's requirements under the NSW Environmental Planning and Assessment Regulation 2000. Successful completion of the EIS will allow Sultan to apply for a Development Authority, which is the final approval prior to the granting of a mining licence and the commencement of mining operations.



Derek Lenartowicz
Managing Director