

ASX ANNOUNCEMENT

28 July 2023

JUNE QUARTERLY REPORT

For the period 1st April – 30th June 2023

Sultan Resources

ACN: 623 652 522

CORPORATE DETAILS

ASX Code: SLZ

DIRECTORS

JEREMY KING
CHAIRMAN

STEVE GROVES
NON-EXECUTIVE DIRECTOR

DAVID LEES
NON-EXECUTIVE DIRECTOR

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Sultan Resources Limited ("SLZ" or "the Company") is pleased to provide shareholders with the following update for the Company's activities for the quarter ended 30th June 2023.

CANADIAN LITHIUM PROJECTS

During the quarter, Sultan commenced on ground exploration at one of its two 100% owned lithium projects in Ontario, Canada (refer ASX Announcement 26/06/2023).

RUDDY PROJECT

The Company advised that exploration has commenced at the Company's Canadian projects, with experienced Canadian geological consultants, APEX Geoscience Ltd (APEX) conducting activities at its Ruddy Project in North Western Ontario (refer Figures 1, 2). At Ruddy, the Company has established a priority exploration target from the interpreted LCT Goldilocks Zone surrounded the Allison Lake Batholith which covers approximately 3.5km of east-west strike in the centre to south of the Company's Project.

Apex utilised four helicopter-supported geologists to conduct reconnaissance over the project, sampling priority outcrop, including pegmatitic occurrences for lithium and associated elements; and veining (for gold) where appropriate. Progress has been assisted by a recent burn in the area which has increased visibility from the air, although thick deadfall (stacked fallen trees) up to 1.5m height and new growth slowed ground traverses. Apex geologists observed multiple pegmatite occurrences of up to 30m outcrop and up to 15m width within the initial area of focus. Evidence of pegmatite fractionation minerals in the form of apatite or beryl were observed in the field from limited available outcrop, which is generally heavily covered by mosses and lichen.

Post-quarter end, the Company advised that Apex had collected a total of 157 samples over 8 days in the field, with over 35% (55 samples) taken from pegmatitic occurrences (refer Figure 3). The samples have been submitted to ALS laboratories in Canada for multi-element analysis including gold. The Company intends to use resultant lithium values and geochemical markers such as K/Rb ratios to focus additional fieldwork to discover possible covered mineralised LCT pegmatites.

The Company subsequently received complete field observations from Apex geologists and continues to work through the observations. In addition, analysis and interpretation by Sultan incorporated the field work of Fingas¹, whom spent 2 days 'straight-line' traversing a portion of the tenement in 2021 (refer Figure 4) as part of a larger pegmatite survey of the northern Allison Batholith area. Fingas noted 6 additional pegmatites outside the Apex pegmatite localities, and one coincident occurrence, highlighting the difficulty in observing outcrop at Ruddy and that more field work will be required after this first phase of reconnaissance. The combined observations support a priority zone of interest within the original LCT Goldilocks interpretation, radially distributed from the northern portion of the Allison Batholith.

ABOUT THE RUDDY LITHIUM PROJECT

The Ruddy Project (Figures 1,2,3,4) directly abuts ground to the west held by Green Technology Metals Limited (ASX: GT1) and is located in the province of Ontario about 162km north-north-east of the town of Dryden. The Project covers around 10km² and sits on the northern extremity of the Allison Lake Batholith, a fertile intrusive responsible for the development of proximal fractionated pegmatites with potential to host lithium, caesium and tantalum (LCT) mineralisation^{1,2,3}.

Previous study of the area by the Ontario Geological Survey (Breaks et al 2003²) described the margin of the Allison Lake Batholith at the time as “...an important new exploration target for rare-element mineralization and is the largest such granite thus far documented in Ontario...”. Breaks et al 2003² considered the margin of the Batholith had high potential for further discoveries of rare element mineralization that could occur in exo-contact, metasedimentary-hosted pegmatites or as internal pegmatites within the parent granite, particularly in light of the common regional zonation sequence of rare-element pegmatites from beryl-rich into lithium-rich types. This typically includes spodumene-type pegmatites in an interpreted ‘LCT Goldilocks Zone’ of increased fractionation from the parent granite. With recent renewed interest in rare element mineralisation, the prospective Allison Batholith has emerged as a fully staked, multi-company, battery mineral exploration region.

Reports by Green Technology Metals³ describe the identification of the spodumene-bearing Ouroboros Pegmatites approximately 10km southwest of the Ruddy Project (refer Figure 4) in a similar geological setting, which the Company considers highly encouraging. The Company intends to focus priority exploration at Ruddy at outcrop within the interpreted LCT Goldilocks Zone surrounding the Allison Lake Batholith, covering approximately 3.5km of east-west strike in the centre to south of the Company’s Project.



Photo 1. View to Ruddy Project looking SSE, Ruddy Lake in foreground.



Photo 2. Aerial view, pegmatite outcrops, Ruddy Project, Helicopter and pad visible RHS for scale.



Photo 3. Aerial view, pegmatite outcrop example, Ruddy Project, visible outcrop estimate 20-30m length.



Figure 1: Location of Kember and Ruddy Projects in relation to known Lithium deposits, Northwest Ontario

N.B. PAK (TSXV:FL) total resource taken from NI43-101 instrument effective April 28, 2023

Mavis resource (ASX:CRR) taken from ASX release dated June 7, 2023

Root Bay, Seymour Lake and McCombe resources (ASX:GT1) taken from ASX release dated May 5, 2023

Georgia Lake (TSXV:RCK) total resource taken from Georgia Lake Project: Pre-Feasibility Study Nov 22, 2022

Separation Rapids (TSX:AVL) total resource taken from NI43-101 instrument effective Sept 26, 2018

Jackpot (Imagine Lithium- private) estimate taken from Ontario Mineral Inventory Record: MDI42E05SW00019; resource is historic and not compliant with formal resource reporting.

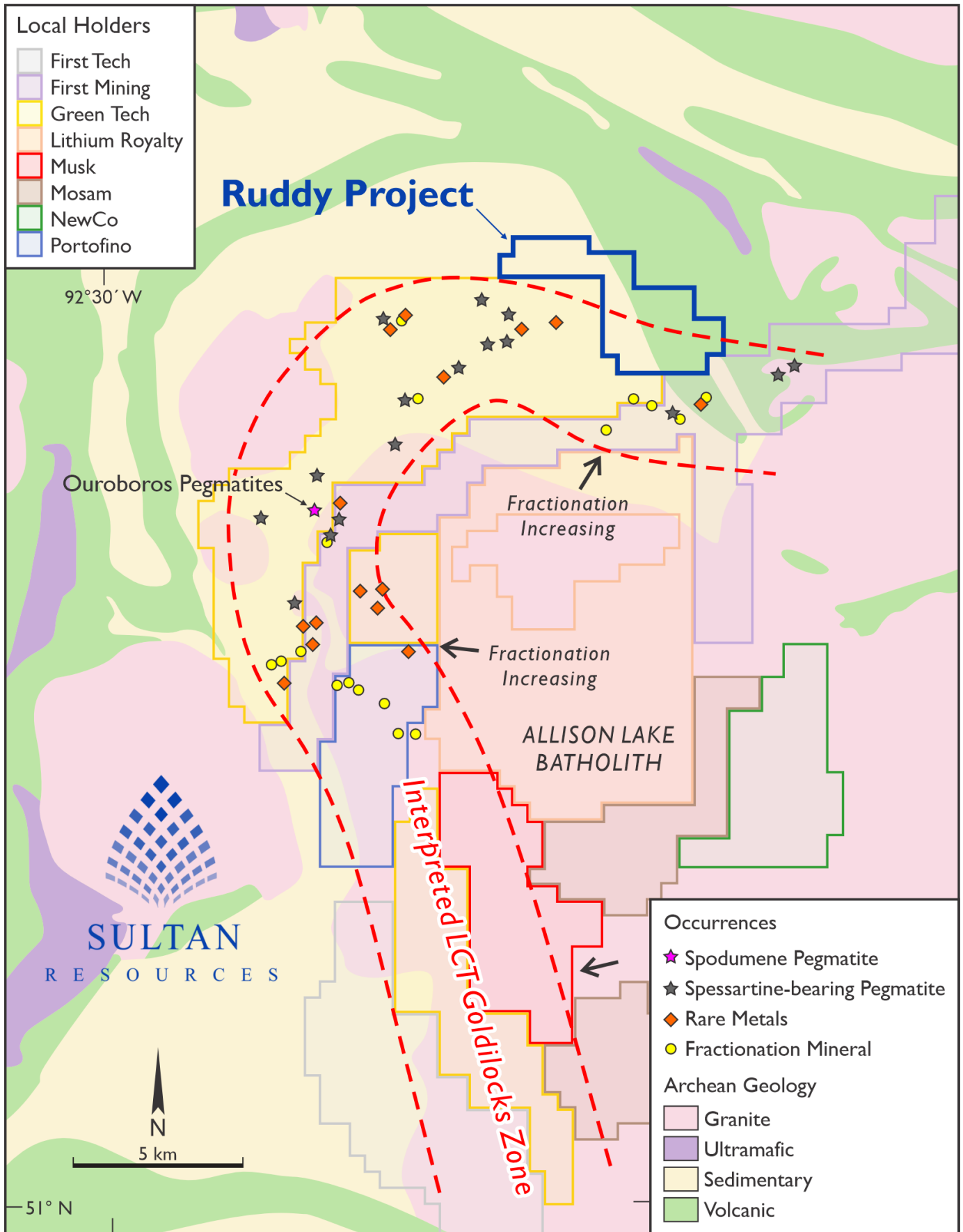


Figure 2: Location of Ruddy Project in relation to regional geology, known pegmatite occurrences (detail sourced from ASX:GT1 Announcement on 24/01/2022), and neighbouring tenure holders.

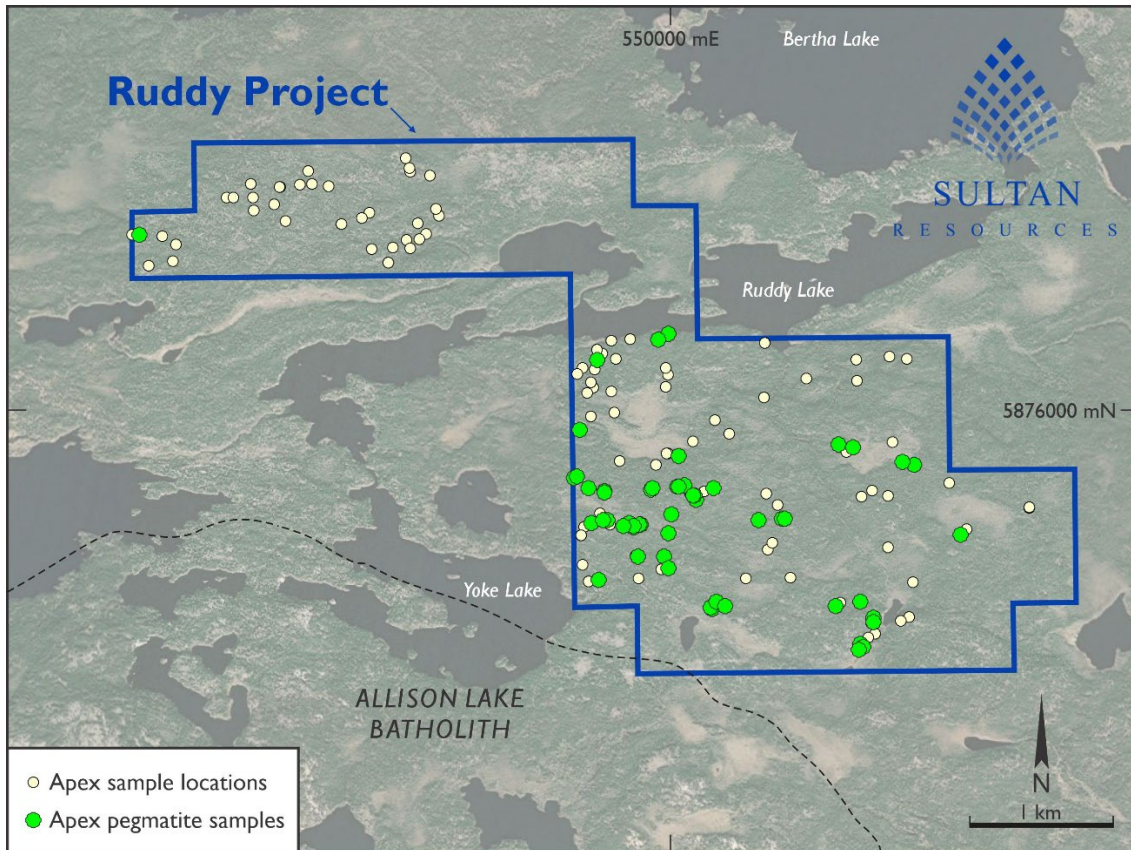


Figure 3: All sampled sites at Ruddy Project in relation to tenure at completion of June 2023 reconnaissance

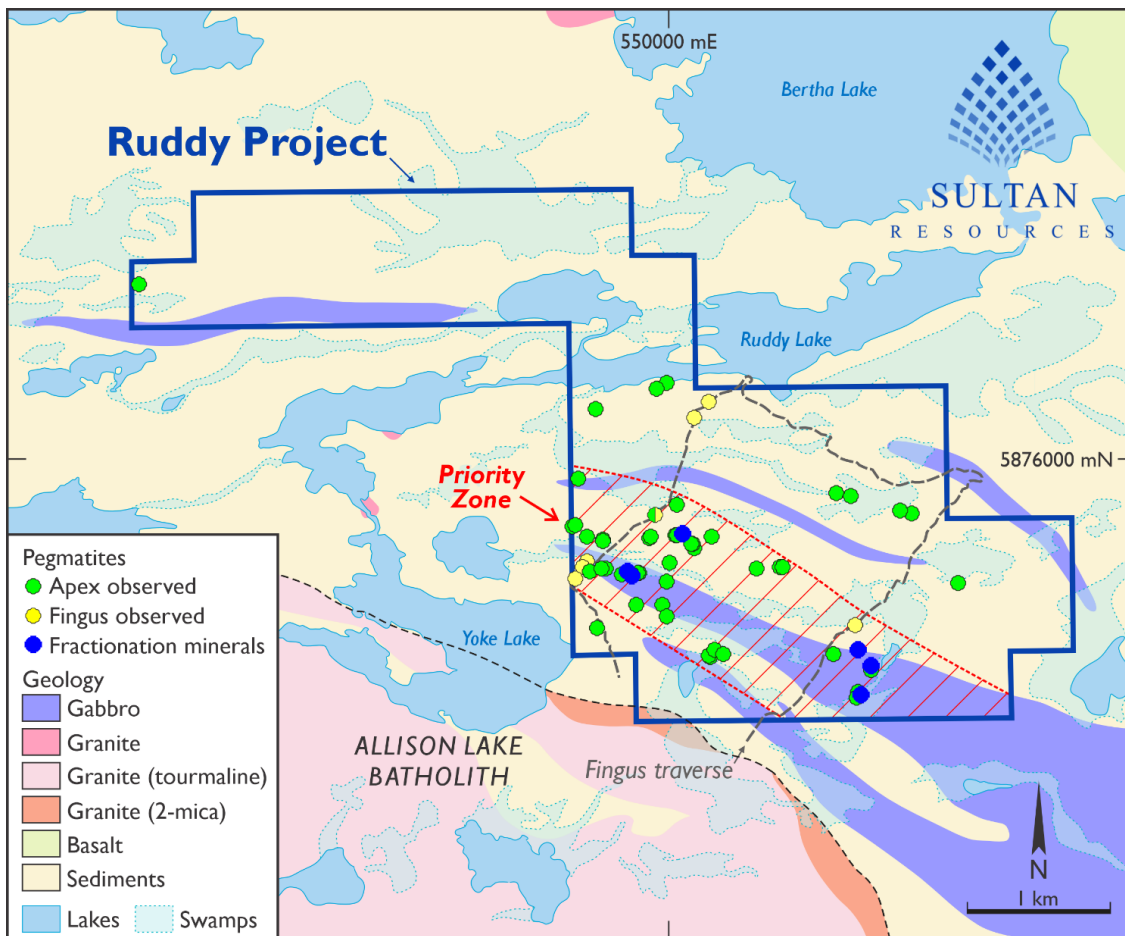


Figure 4: Observed Pegmatite sites at Ruddy Project; evolved pegmatites with fractionation minerals denoted by darker blue locations. Priority Zone area of focus for LCT Pegmatites in hatched area. Geology after Fingus, 2022.



KEMBER PROJECT

At the Kember Project, the Company advised (refer ASX Announcement 14/06/2023) that a desktop review had highlighted a series of pegmatitic granite occurrences in mapping previously conducted at its Kember Project, noted across an area around seven km in length and typically over a kilometre in width. These will form a focus of initial exploration activities at the Kember Project.

As recently advised (refer ASX Announcement 26/6/2023) the Company has opted to delay reconnaissance activities at Kember after one of four First Nation groups with established rights in the area requested additional time to inform its members of planned activities. The Company will deliver a revised timetable for this exploration in due course, ideally to combine with mobilisation after receipt and assessment of Ruddy assay results.

ABOUT THE KEMBER LAKE LITHIUM PROJECT

The Kember Project (Figures 1 and 5) is located in the province of Ontario about 180km north of the town of Red Lake, covering an area of around 30km². Demonstrating the prospectivity of this area, the Kember Project is located about 8km from the PAK/Bolt/Spark lithium deposits of Frontier Lithium Inc. (Frontier) and is contiguous with this project tenure.

Recent drilling by Frontier intersected 398.25m of pegmatite averaging 1.88% Li₂O, including a 23.4m zone of 3.12% Li₂O (see TSX.V Announcement 8/02/2023). Frontier have also recently announced resources totalling 58.5Mt @ 1.51% Li₂O from its most recent NI43-101 instrument effective April 28th 2023, calculated from two of four known spodumene-bearing pegmatite occurrences within its PAK Project holdings.

There has been no recorded exploration over the Kember Project area, however, mapping by the Geological Survey of Ontario has historically recorded the presence of pegmatitic granites over a northwest to southeast zone around seven km in length and typically over a kilometre in width, providing an initial zone of interest.

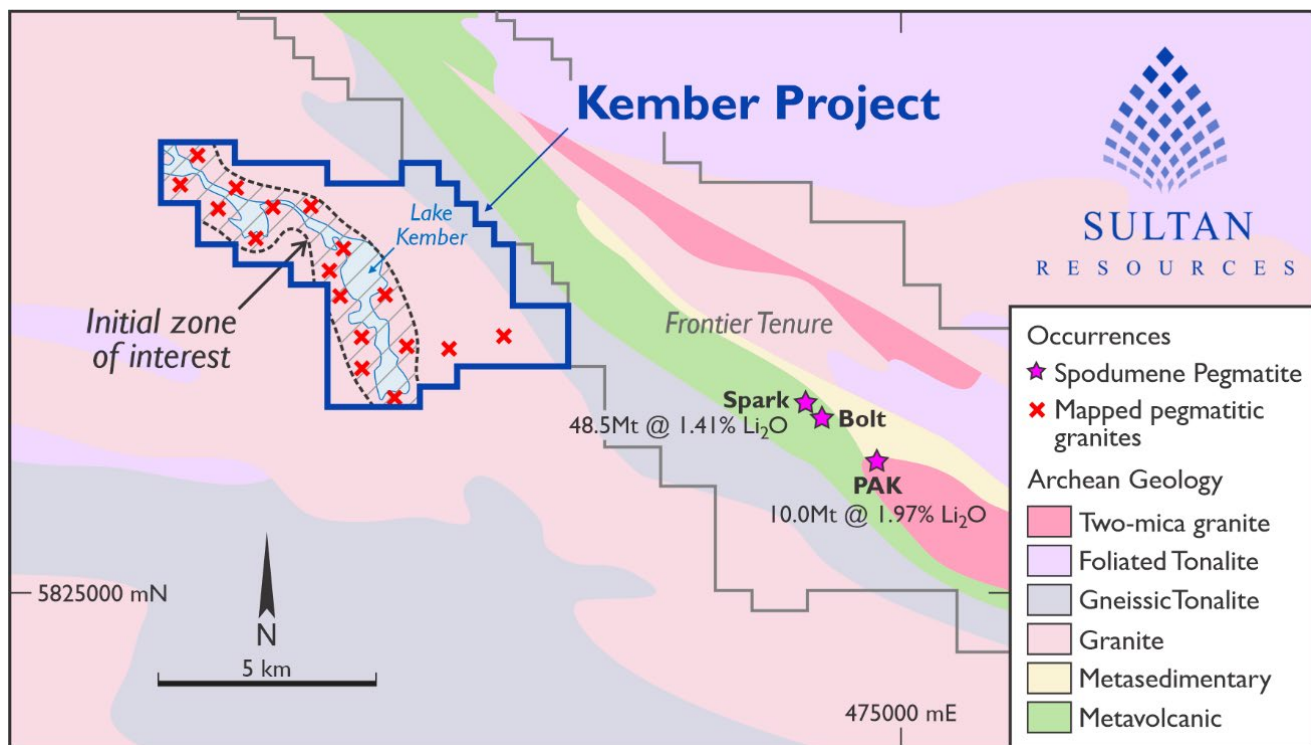


Figure 5: Location of Kember Project in relation to regional geology and known spodumene-hosted Lithium deposits, Northwest Ontario



These pegmatitic granites will be the focus of initial reconnaissance of 5 to 7 days duration, with four helicopter-supported geologists from Canadian-based experienced geological consultants, APEX Geoscience conducting mapping and sampling of priority outcrop. The Company considers rare element mineralisation can occur associated with internal pegmatites within the parent granite. The Company will also conduct reconnaissance of the eastern edge of the project, closer to changes in granitic composition and contact morphologies.

The Company approved the acquisition of the Ruddy and Kember lithium projects at a General Meeting on 9 May 2023.

References

- ¹ Fingas, J, 2022: Assessment Report on Crown Land for the Costello Lake Area – 2021 Prospecting Program, dated May 25th 2022
- ² Breaks, F.W., J.B. Selway J.B and A.G. Tindle A.G. 2003, Ontario Geological Survey, Open File Report 6099, Fertile Peraluminous Granites and Related Rare-Element Mineralization in Pegmatites, Superior Province, North-West and North-East Ontario: Operation Treasure Hunt
- ³ Green Technology Metals (ASX:GT1) ASX Announcement: “Strategic lithium footprint substantially expanded” dated 24/01/2022

For further detail on the Kember and Ruddy Projects please refer to the following:

Sultan (ASX:SLZ) ASX Announcement: 2023 “Sultan Resources enters agreement to acquire 100% interest in highly prospective Canadian lithium exploration ground in Ontario, Canada” dated 17/03/2023

Sultan (ASX:SLZ) ASX Announcement: 2023 “Sultan Completes Acquisition of Canadian Lithium Projects” dated 25/05/2023

Sultan (ASX:SLZ) ASX Announcement: 2023 “Sultan Appoints Experienced Canadian Geological Team” dated 1/06/2023

Sultan (ASX:SLZ) ASX Announcement: 2023 “Multiple mapped pegmatitic occurrences Kember Lithium Project” dated 14/06/2023

Sultan (ASX:SLZ) ASX Announcement: 2023 “Multiple Pegmatite occurrences noted as exploration commences at Ruddy Project, North-Western Ontario” dated 26/6/2023

Sultan (ASX:SLZ) ASX Announcement: 2023 “Priority Zone Identified at Ruddy Lithium Project, Ontario” dated 25/07/2023

WA PROJECTS

LAKE GRACE PROJECT

The Lake Grace Project consists of five large tenements (E70/5081, 5082, 5085, 5095 and 5179- refer Figure 6) in the Southwest Terrane of Western Australia, containing the Kulin Hill Ni-Co Project in the North, and the Lake Grace Gold Project in the South, surrounding the Griffin’s Find Gold Mine.

Rio Farm-in Tenement (E70/5082)

During the quarter the Company announced that Rio Tinto Exploration Pty Limited (RTX) and Sultan had entered into option to farm-in and joint venture agreement in respect of E70/5082, a portion of Sultan’s Lake Grace tenure (refer ASX announcement 21/6/2023). The Agreement allows RTX to undertake preliminary exploration during an initial option period and then earn an 80% interest in E70/5082 by way of \$2m of exploration spend within 5 years, with Sultan retaining full ownership of its principal area of focus to date (Kulin Hill tenure on E70/5095).

Terms of the Option Agreement

The material terms of the Option Agreement are as follows: RTX pays Sultan \$25,000 and has the right to exclusively conduct a preliminary stage of exploration over the Option Tenure for 6 months (Option Period). At its election, RTX may extend the Option Period by an additional 6 months, by paying Sultan a further \$25,000.

At any time during the Option Period, RTX may elect to farm-in to the Option Tenure and earn an 80% joint venture interest in the Option Tenure by way of sole funding \$2m of exploration activity, including a minimum of 1,000m of RC and/or diamond drilling. RTX has 5 years to meet the minimum farm-in expenditure requirement but agrees that should it not be met by 3 years

and should it wish to continue in the farm-in then it shall pay Sultan \$50,000 (provided that RTX has had reasonable access to the Option Tenure in order to conduct exploration activities).

On meeting the farm-in expenditure and drilling requirements, a standard 80/20 contributing joint venture (JV) is formed. Should a party's interest in the JV dilute to below 10%, the other party may buyout the interest at fair market value or otherwise the interest shall be converted to a 1% net smelter royalty payable for the first 5 years of commercial production. For the duration of the Option Period, RTX is responsible for all rents and required expenditure on E70/5082 and is granted a right of first refusal over the sale or disposal by Sultan of the balance of its Lake Grace tenure package, namely E70/5095, E70/5085, E70/5081 and E70/5179.

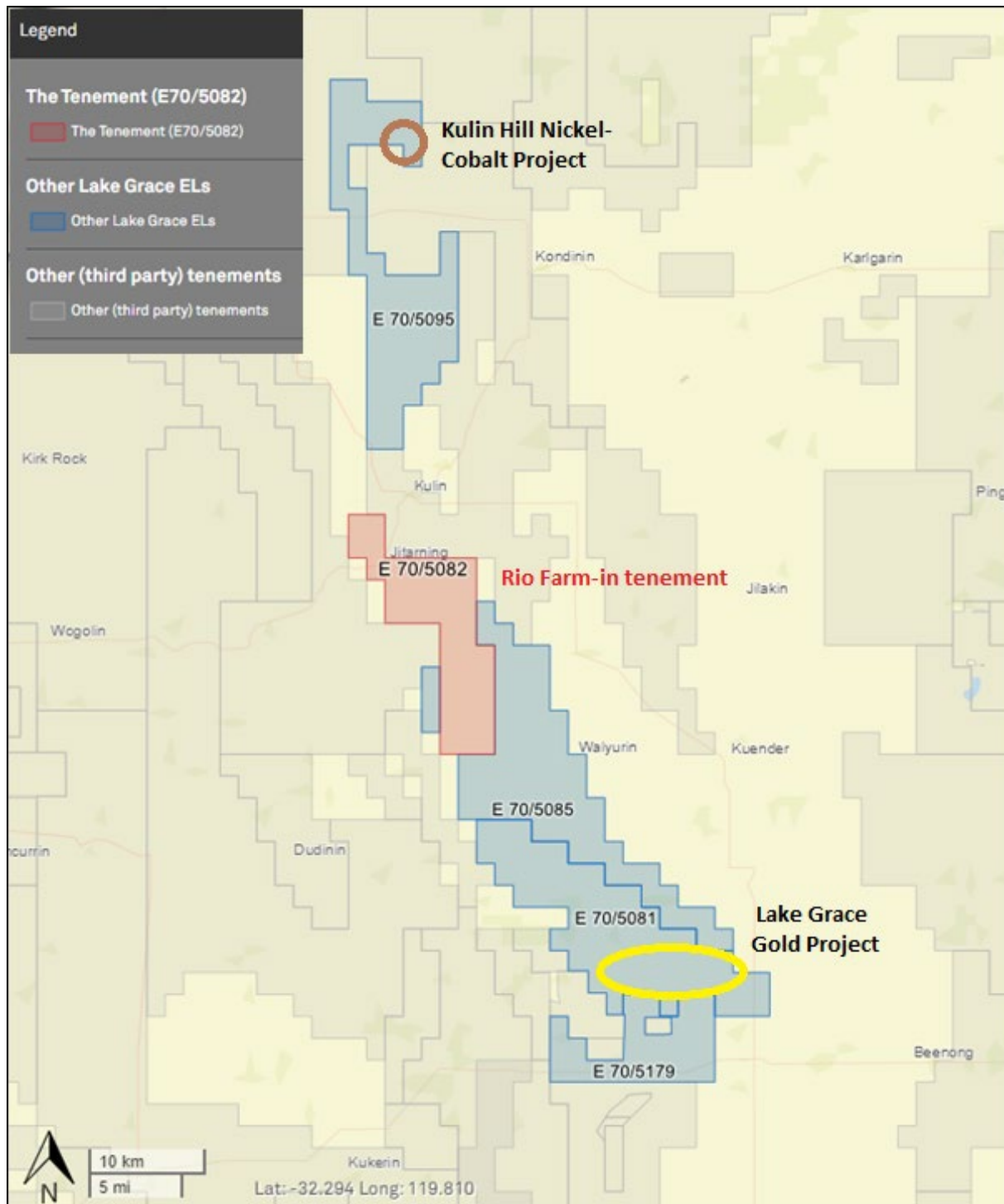


Figure 6: Overview Plan of Sultan's Southwest Terrace Lake Grace Project in WA

Kulin Hill Nickel-Copper-PGE Project (E70/5095)

During the March quarter, Sultan provided results for the stratigraphic drill hole SLGDD001 completed to partially test a portion of the Kulin Hill magnetic anomaly. Previous 2022 aircore drilling from available sites at the project by Sultan has returned anomalous results of Ni, Cr, Mg, Fe, S and Co consistent with weathered ultramafic lithologies. The Company contends that further drilling into the ultramafic sequence will support that it is fertile and can host precipitated Ni-Co sulfides. The potential for Ni-Co sulfide mineralisation was suggested by historical drilling conducted on the edge of the sequence in 1967 and 1973, where drill core samples were observed in polished sections containing “...less than 1% of a nickel-cobalt-sulphide mineral (approximately 50% Ni, 5% Co)⁴”. Observations from the historical drilling also supported some fractionation of the ultramafic at depth; that is, towards the untested central portion of the sequence.

SLGDD001 Drill Hole Details

In late 2022, the company completed a deep (489.4m) stratigraphic diamond hole (SLGDD001) mineralisation at Kulin Hill designed to investigate the nature of the layered ultramafic sequence beneath the weathering horizon, and to partially assess the potential for Ni-Co sulfide mineralisation associated with this type of sequence. SLGDD001 was collared in the vicinity of the 2022 drilled aircore holes and was drilled at -60° towards the southeast, targeting across a westernmost extremity of a strong magnetic body within the sequence (Figure 7).



Figure 7: Plan view of 1VD magnetic signature representing the ultramafic sequence overlain by aerial photography highlighting the salt lake, with Reserve 18455 (Lot 225568) highlighted in red. Sultan's 2022 aircore collars are marked in orange, and previous diamond drilling traces in yellow, with recent SLGDD001 named. Orange circles and traces indicate provisional drilling collar positions to test the layered intrusion correctly.

Initial observations confirmed a significant thickness of the ultramafic/mafic target sequence was intersected down to 256m down hole, with a 40m interlayer of felsic gneiss at 153.5m (refer Figure 8), before passing into a series of mostly felsic and occasionally mafic gneisses. Weathering was observed to persist to about 70m down hole. A total of 160 samples were selected for analysis. Results from the unweathered target sequence were strongly indicative of ultramafic lithologies, summarised as: Nickel (Ni) content of 0.1-0.29% Ni; Chrome (Cr) content of 0.1-0.65% Cr; Magnesium oxide (MgO) content of 25-41% MgO; and Silica oxide (SiO₂) mostly below 35% SiO₂.

The drilling encountered a 6.8m (downhole length) lens of sheared mafic-ultramafic below the main ultramafic unit from 289.7m containing anomalous Pt and Pd (PGEs), Cu and S (Figure 8). In combination, these particular geochemical anomalies indicate the potential presence of sulfide in the sheared mafic-ultramafic lens and suggest the possibility of remobilisation of sulfide from an ultramafic source.

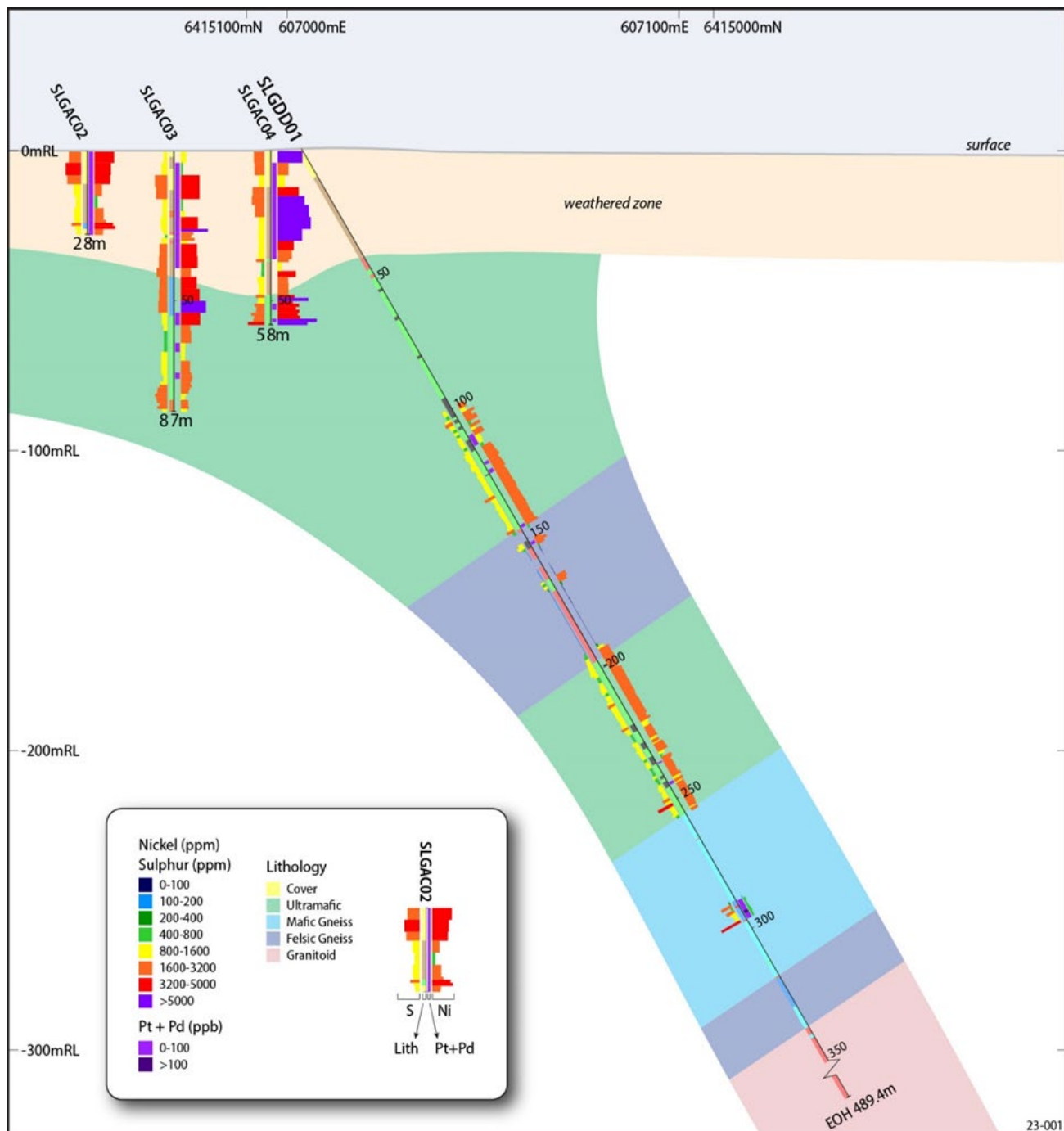


Figure 8: Cross-section of RC drill hole SLGD001 along with previous aircore drill holes SLGAC02, SLGAC03 and SLGAC04. Ni is displayed as a concentration based coloured histogram on the right-hand side of the drill string, sulphur (S) on the left-hand side of the drill string and Pt + Pd as a concentration based colour within the drill string.

Together, the thick intersection of layered ultramafic geology, along with evidence for the potential remobilisation of sulfides from an ultramafic source in SLGDD001, confirm the prospectivity of the 2.2km long main target for Ni-Co mineralisation. Interpretation of the geology intersected in SLGDD001 is ongoing.

Access to Reserve 18455

As previously advised, negotiations to access the full extent of the target area for drilling, the majority of which extends beneath salt lake Reserve 18455 (refer Figure 7), have been ongoing since early 2022, with the Company receiving confirmation of access from DMIRS during late last year; however ground conditions have been unsuitable since receiving permission to drill.

Recent reconnaissance over the project confirmed that the salt lake surface was currently impassable from seasonal rains and would require drying sufficiently to allow access, which the Company is currently planning for later in 2023. The Company is in communication with a suitable diamond drilling contractor with suitable depth and low angle capacity, small footprint including lightweight tracked mobility, and solids and water management capacity to responsibly undertake this work.

⁴. A Report 7659 “Final Report Corrigin Project, Electrolytic Zinc Company of Australasia Limited” dated 1973

For further detail on the Kulin Hill/ Lake Grace Nickel Project please refer to the following:

Sultan (ASX:SLZ) ASX Announcement: 2021 “WA Nickel Project Update” dated 3/06/2021
Sultan (ASX:SLZ) ASX Announcement: 2021 “Drilling for WA Julimar-style Nickel Targets to Commence” dated 23/11/2021
Sultan (ASX:SLZ) ASX Announcement: 2021 “Aircore Drilling Commenced at Lake Grace” dated 16/12/2021
Sultan (ASX:SLZ) ASX Announcement: 2022 “Aircore Drilling Recommences at Lake Grace” dated 12/01/2022
Sultan (ASX:SLZ) ASX Announcement: 2022 “Exploration Update” dated 3/02/2022
Sultan (ASX:SLZ) ASX Announcement: 2022 “Aircore Results for Kulin Hill Ni-Sulphide Target Received” dated 4/05/2022
Sultan (ASX:SLZ) ASX Announcement: 2022 “Sultan to Drill Nickel Targets” dated 22/06/2022
Sultan (ASX:SLZ) ASX Announcement: 2022 “Diamond Drill Hole Commences at Kulin Hill Nickel Project” dated 14/10/2022
Sultan (ASX:SLZ) ASX Announcement: 2022 “Diamond Drill Hole Completed at Kulin Hill Nickel Project” dated 16/11/2022
Sultan (ASX:SLZ) ASX Announcement: 2023 “Initial Geochemistry Confirms Target Geology at Kulin Hill” dated 17/02/2023
Sultan (ASX:SLZ) ASX Announcement: 2023 “Kulin Hill Nickel - Diamond Hole Confirms Prospectivity” dated 19/04/2023

Lake Grace Gold Project (E70/5081, E70/5085, E70/5179)

No fieldwork undertaken during the quarter. Extensions of Term for these tenements and E70/5082 and E70/5095 have been prepared for submission.

THADUNA PROJECT (E52/3481)

No fieldwork undertaken during the quarter. A five-year Extension of Term for this tenement was received during the quarter.

LACHLAN FOLD BELT PROJECT, NSW (EL8734, EL8735, EL9070)

During the quarter, Sultan continued to review exploration data across its suite of porphyry and epithermal exploration targets in the Macquarie Arc volcanic rocks of the Lachlan Fold Belt, NSW (refer Figure 9), with the appointment of an experienced in-house Exploration Manager.

No field work was undertaken, with further review required to define the next round of exploration and drill targets across the projects. Annual reporting was submitted, and EL8704 relinquished.

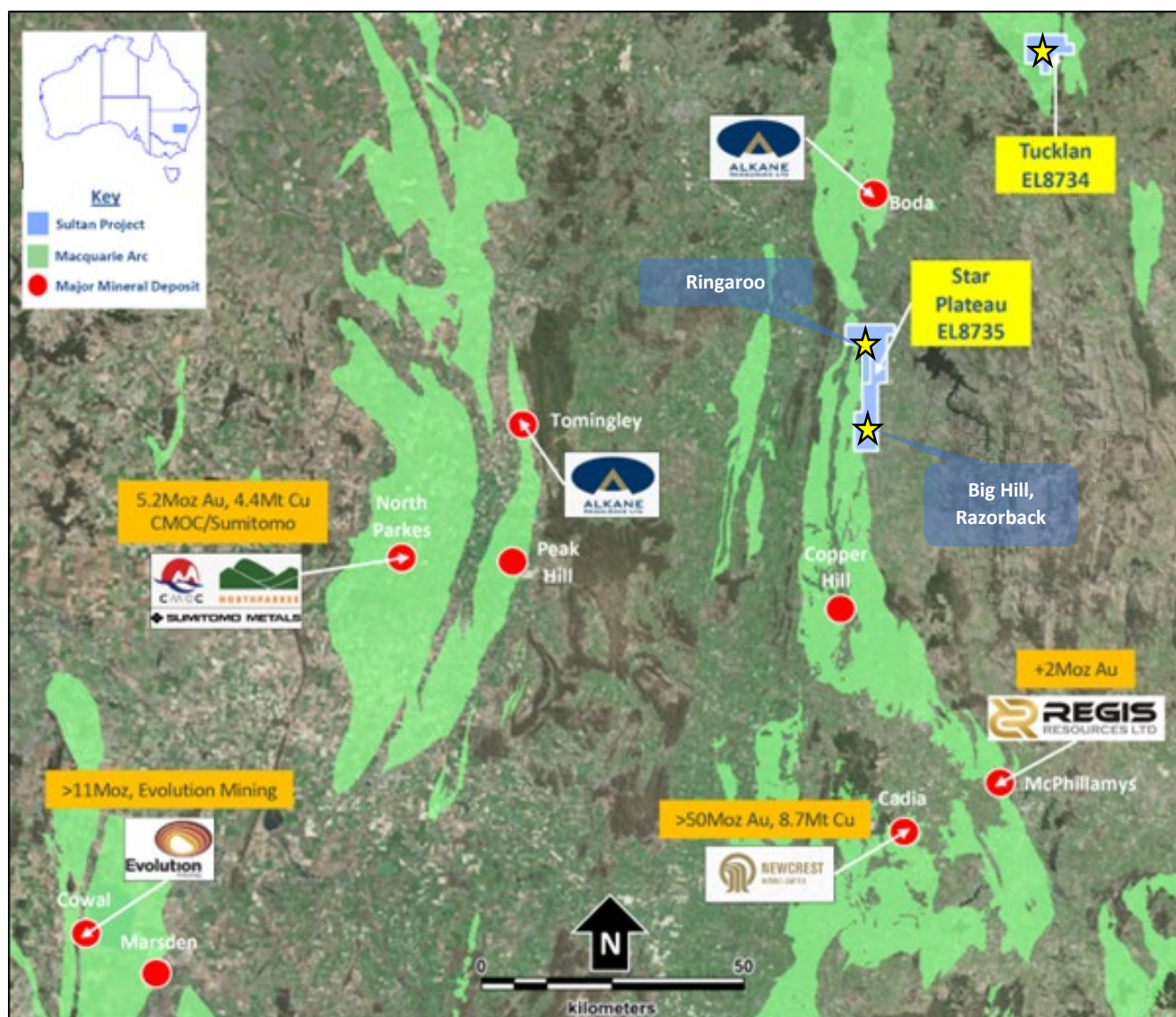


Figure 9: NSW- Sultan Tenements located over prospective Macquarie Arc sequence rocks with priority targets indicated.

CORPORATE

On 24 May 2023, the Company advised that it has successfully completed the second tranche of its recent placement (Placement). In total, the Company issued 30m shares at \$0.05 per share to raise \$1.5m (pre costs) from resource experienced sophisticated and high net worth investors.

Completion of the Placement paved the way for the acquisition (Acquisition) of 100% of the Kember and Ruddy lithium projects in Ontario, Canada (Canadian Lithium Projects) from XS Minerals. Settlement of the Acquisition was completed on 29 May 2023 with the issue of consideration shares and payment of cash consideration to certain local Canadian vendors. For further details of the key acquisition terms, please refer to ASX announcement dated 17 March 2023. Subject to local registration and processing, Sultan now holds 100% of the Kember and Ruddy Projects which together comprise circa 39.3km² of highly prospective and sought after lithium exploration tenure.

Sultan's cash position as at 30 June 2023 was ~\$1.35 million.

**ADDITIONAL ASX INFORMATION****ASX Listing Rule 5.3.1**

Exploration and Evaluation during the quarter was ~\$411,000. The majority of this was spent as payment to Canadian vendors for the tenement acquisition of the Kember and Ruddy lithium projects.

ASX Listing Rule 5.3.2

There was no substantive mining production and development activities during the quarter.

ASX Listing Rule 5.3.5

Payments to Related Parties & their Associates	Total Amount
Director Fees and Superannuation	\$45,342
Company Secretarial, Registered Office and Financial Management Services	\$47,625

ASX Listing Rule 5.3.3**SCHEDULE OF TENEMENTS****Western Australia**

Tenement	Holder	Status	Area	Application Date	Grant Date	Expiry Date	Required Expenditure
Thaduna Project							
E52/3481	Sultan Resources	Live	1 block	19/10/2016	8/02/2018	7/02/2028	\$10,000
Lake Grace Project							
E70/5081 ¹	Sultan Resources	Live	58 blocks	21/11/2017	23/07/2018	22/07/2023	\$87,000
E70/5082 ^{1,2}	Sultan Resources	Live	37 blocks	23/11/2017	31/07/2018	30/07/2023	\$55,500
E70/5085 ¹	Sultan Resources	Live	65 blocks	24/11/2017	23/07/2018	22/07/2023	\$93,000
E70/5095 ¹	Sultan Resources	Live	54 blocks	1/12/2017	31/07/2018	30/07/2023	\$81,000
E70/5179	Sultan Resources	Live	28 blocks	1/6/2018	05/02/19	04/02/2024	\$39,000

New South Wales

Tenement	Holder	Status	Area	Application Date	Grant Date	Expiry Date	Required Expenditure
Lachlan Fold Belt Project							
EL 8734	Colossus Metals	Live	16 Units	NA	16 April 2018	16 April 2025	\$150,000
EL 8735	Colossus Metals	Live	37 Units	NA	16 April 2018	16 April 2025	\$250,000
EL 9070	Sultan Resources	Live	4 Units	NA	2 March 2021	2 March 2027	\$14,000

Canada³

Tenement	Holder	Status	Area	Application Date	Grant Date	Expiry Date	Required Expenditure
Ruddy Project							
711362	Perry English	Live	22 cells	NA	27/02/2022	27/02/2024	\$8800
711363	Perry English	Live	14 cells	NA	27/02/2022	27/02/2024	\$5600
711364	Perry English	Live	16 cells	NA	27/02/2022	27/02/2024	\$6400
Kember Project							
705989	Gravel Ridge	Live	25 cells	NA	08/02/2022	08/02/2024	\$10,000
705990	Gravel Ridge	Live	25 cells	NA	08/02/2022	08/02/2024	\$10,000
705991	Gravel Ridge	Live	25 cells	NA	08/02/2022	08/02/2024	\$10,000
705992	Perry English	Live	25 cells	NA	08/02/2022	08/02/2024	\$10,000
705993	Perry English	Live	25 cells	NA	08/02/2022	08/02/2024	\$10,000
705994	Perry English	Live	25 cells	NA	08/02/2022	08/02/2024	\$10,000

The mining tenements relinquished during the quarter and their location –EL8704, Lachlan Fold Belt NSW

The mining tenement interests acquired during the quarter and their location –Ruddy and Kember MC's as listed

Beneficial percentage interests held in farm-in/farm-out agreements at the end of the quarter – 100% in E70/5082

Beneficial percentage interests held in farm-in/farm-out agreements acquired/disposed of during the quarter - nil

- 1- Extensions of Term being submitted
- 2- E20/5082 subject to farm in by Rio Tinto Exploration- see SCN:ASX release dated 21st June 2023
- 3- All Canadian tenure in process of being transferred to Sultan Subsidiary

This announcement is authorised for release by the Board.

For further information contact:

Director

Jeremy King

info@sultanresources.com.au

Cautionary Statement: Investors are cautioned that information contained within this release in respect of pegmatite occurrences is not necessarily indicative of lithium mineralization on the property, and that preliminary exploration observations will need to be backed by laboratory analysis to ascertain the prospectivity of the mineral claims, and there is no guarantee that a significant discovery will be made as a result of its exploration efforts.

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 Craig Hall, who is a Competent Person and a Member of the Australian Institute of Geoscientists and a fulltime employee of Sultan Resources Limited. 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 the reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Hall consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Sultan Resources Limited

ABN

35 623 652 522

Quarter ended ("current quarter")

30 June 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(58)	(68)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(47)	(167)
	(e) administration and corporate costs	(370)	(687)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	3	3
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	37	37
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(435)	(882)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	(332)	(332)
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(21)	(335)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(353)	(667)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	477	1,500
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(228)	(228)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	249	1,272

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,885	1,623
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(435)	(882)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(353)	(667)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	249	1,272

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,346	1,346

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,346	1,885
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,346	1,885

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	93
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		
6.1	Director fees and superannuation paid to Directors and/or Director related entities	\$45,342
	Company Secretarial, registered office and financial mgt services paid to Director related entity	\$47,625

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
N/A		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(435)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(21)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(456)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,346
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,346
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.95
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 July 2023

Authorised by: The Board of Sultan Resources Limited
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.