

ASX ANNOUNCEMENT

24th October 2023

CORPORATE DETAILS

ASX Code: SLZ

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EM SURVEY CONFIRMS SIGNIFICANT GEOPHYSICAL ANOMALY ON E70/5082; DRILLING PLANNED

- Sultan contracted New Resolution Geophysics (NRG) to undertake a helicopter-borne Electromagnetic (EM) survey system on E70/5082, SW of Kulin in WA.
- The heli-borne EM survey was funded by Rio Tinto Exploration (RTX) as part of an option and farm-in arrangement between Sultan and RTX where RTX has rights to earn 80% of E70/5082 through \$2M of exploration expenditure.
- The heli-borne EM survey has outlined an area of significant EM conductivity response over 750m in length and 230m in width, which may resolve to two targets.
- The EM response is highlighted by a strong late-time signal and sits within a circular regional magnetic feature. The geological setting and geophysical response is suggestive of potential for magmatic nickel sulfide mineralisation.
- Preliminary modelling of the target has been completed, with target depths starting from approximately 70m vertical; initial drilling planned.
- RTX have confirmed their intention to exercise their option to farm-in to E70/5082 and fund an initial drill program to test the EM anomaly.

Sultan Resources Ltd (ASX:SLZ or the Company) is pleased to deliver results from a new phase of exploration on E70/5082 pursuant to a recent option and farm-in agreement with Rio Tinto Exploration Pty Limited (RTX). The agreement provides rights for RTX to undertake preliminary exploration during an initial option period and then elect to earn an 80% interest in E70/5082 by way of \$2m of spend within 5 years (refer SLZ announcement 21st June 2023). E70/5082 forms part of the Company's broader Kondinin-Lake Grace exploration project (refer Figure 5).



The Company contracted NRG to fly a detailed (100m line-spaced) helicopter-borne time-domain electromagnetic (HTDEM) survey totalling around 80 line km over an area approximately 4km SW of the wheatbelt town of Kulin (refer Figure 4). Final data has now been received and interpreted by the Company and RTX. The heli-borne EM survey has outlined a significant EM response over 750m in length and 230m in width, which may resolve to two targets with further investigation (refer Figure 1) and is characterised by a strong late-time signal. The Company and RTX consider the geological setting and EM response is suggestive of potential for magmatic nickel sulfide mineralisation (refer Figure 2).

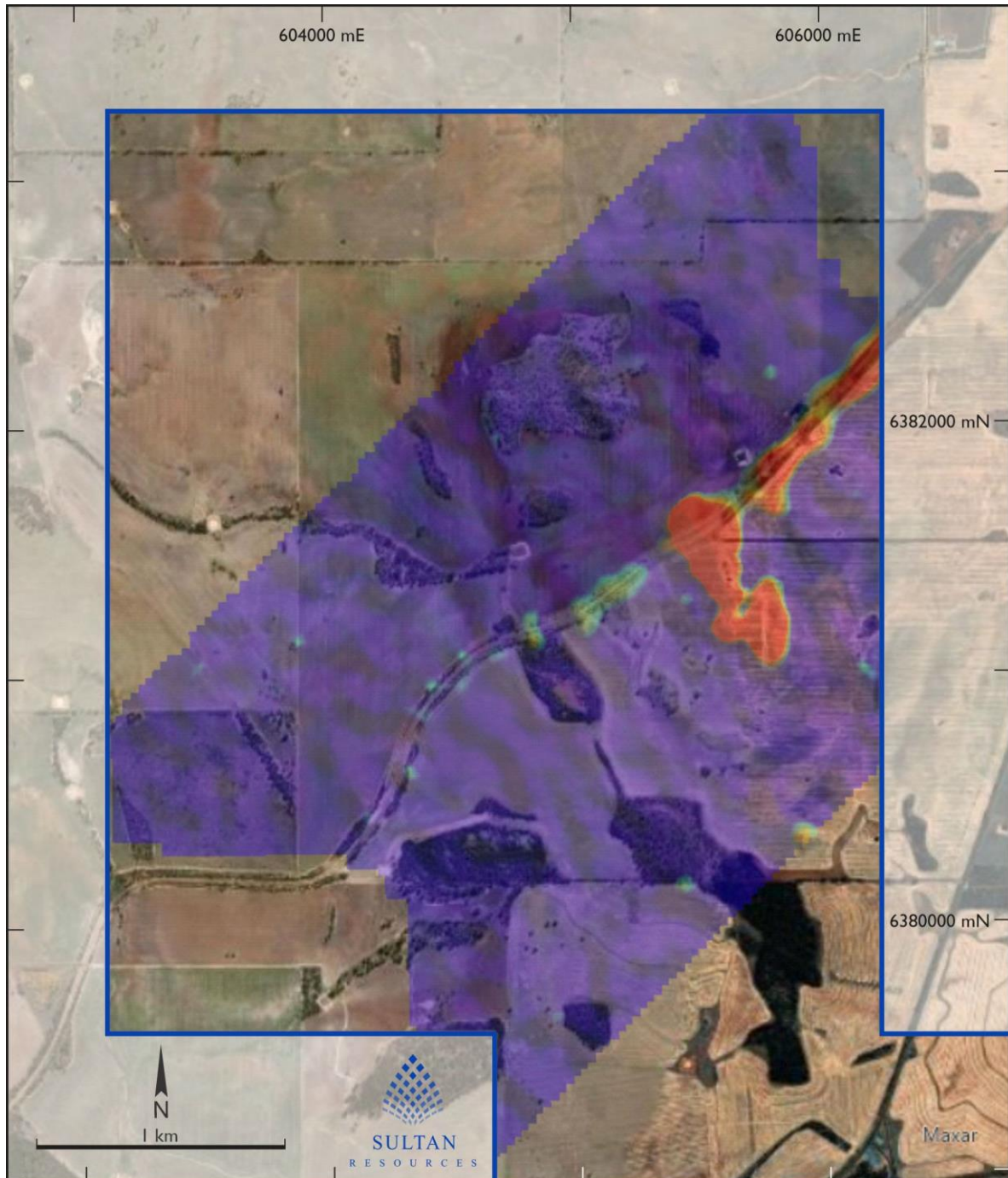


Figure 1: Channel 24Z EM response image overlain on aerial photography. EM data also highlights the position of the Tier3 Narrogin-Kulin rail line, closed since 2013.

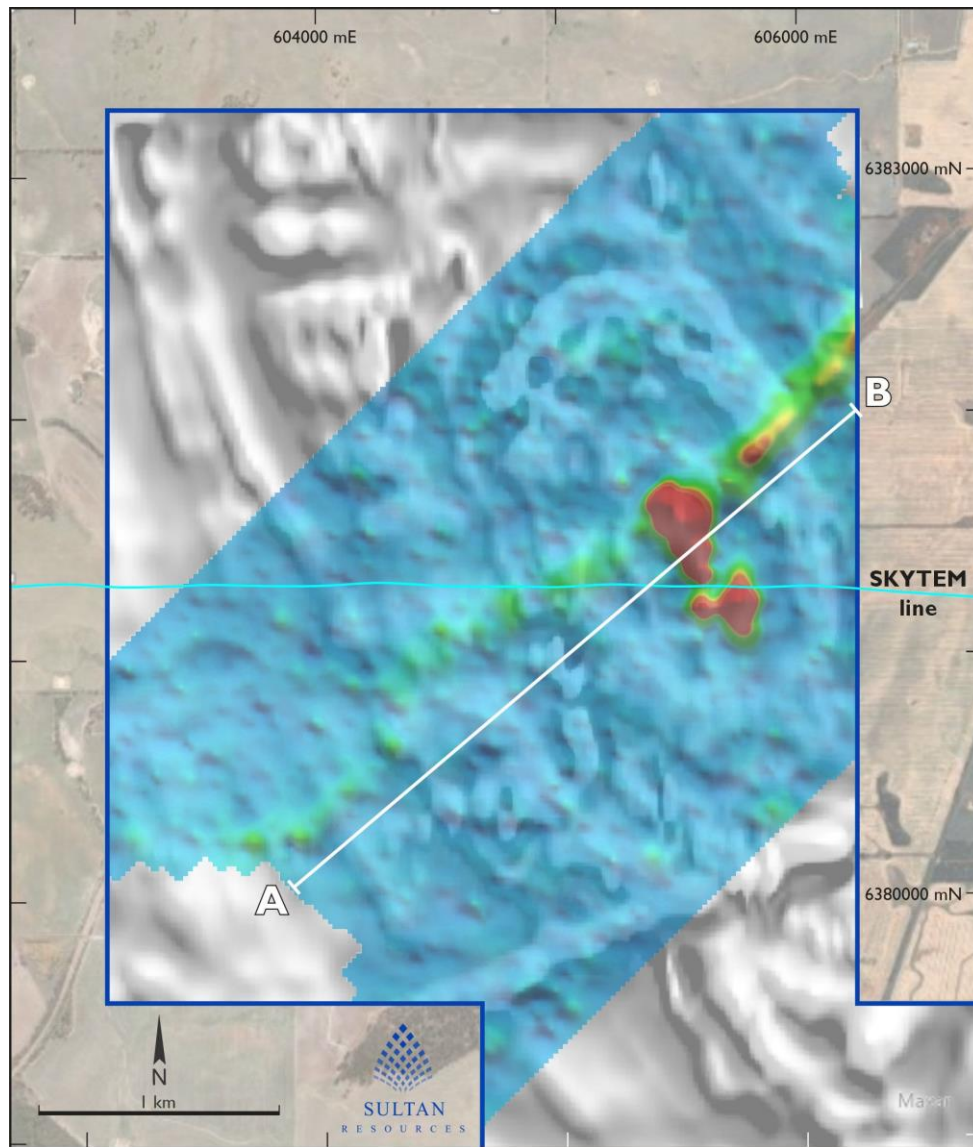


Figure 2: Channel 34Z EM response image overlaying greyscale aeromagnetics from Sultan 2017 survey. Original SKYTEM line denoted by light blue flight line. Section Line A-B for Figure 3 below highlighted in white. Flight lines are 100m spacing.

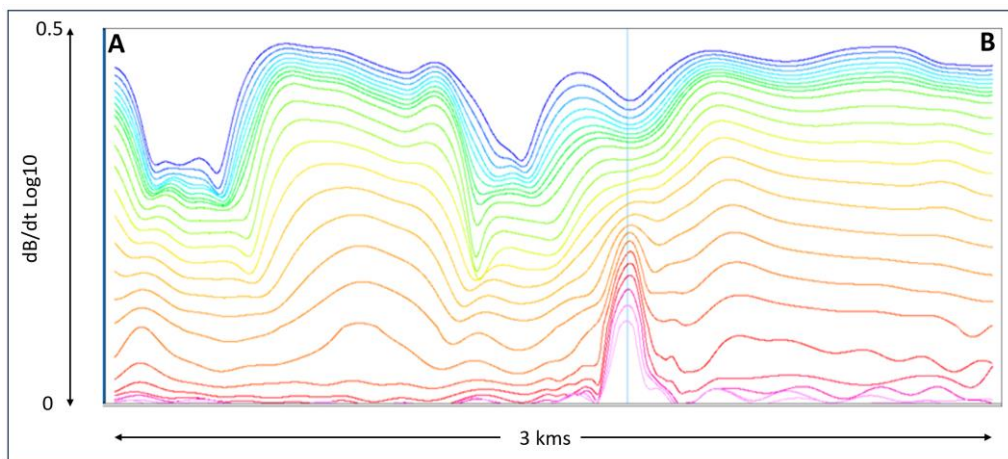


Figure 3: AEM conductivity response for Heli-EM flight line over E70/5082, for section line A-B Figure 2.



Previously, RTX had identified a strong untested late time conductivity anomaly from a single line SKYTEM response in the northern part of E70/5082, from 20km line-spaced data, coincident with a circular magnetic and radiometric anomaly (refer SLZ announcement 16th August 2023), which formed the basis for RTX's entry to the option and farm-in arrangement.

Preliminary modelling of the target has now been completed by RTX consultants, with target depths for modelled plates starting from approximately 70m below surface. Planning for initial RC Drilling to confirm the nature of the geophysical anomaly is underway. The Company is pushing forward with gaining relevant approvals to undertake drill testing of the EM target at the earliest opportunity.

RTX have signalled an intention to the Company to exercise its option over E70/5082, and fund drilling of the EM anomaly, with the Company expecting formal notice of this imminently.

In addition, the Company has recently applied for open ground contiguous with E70/5082 around the current area of interest, with 3 tenements (E70/6529-31) totalling 17 blocks having since been granted (refer Figures 4 & 5).

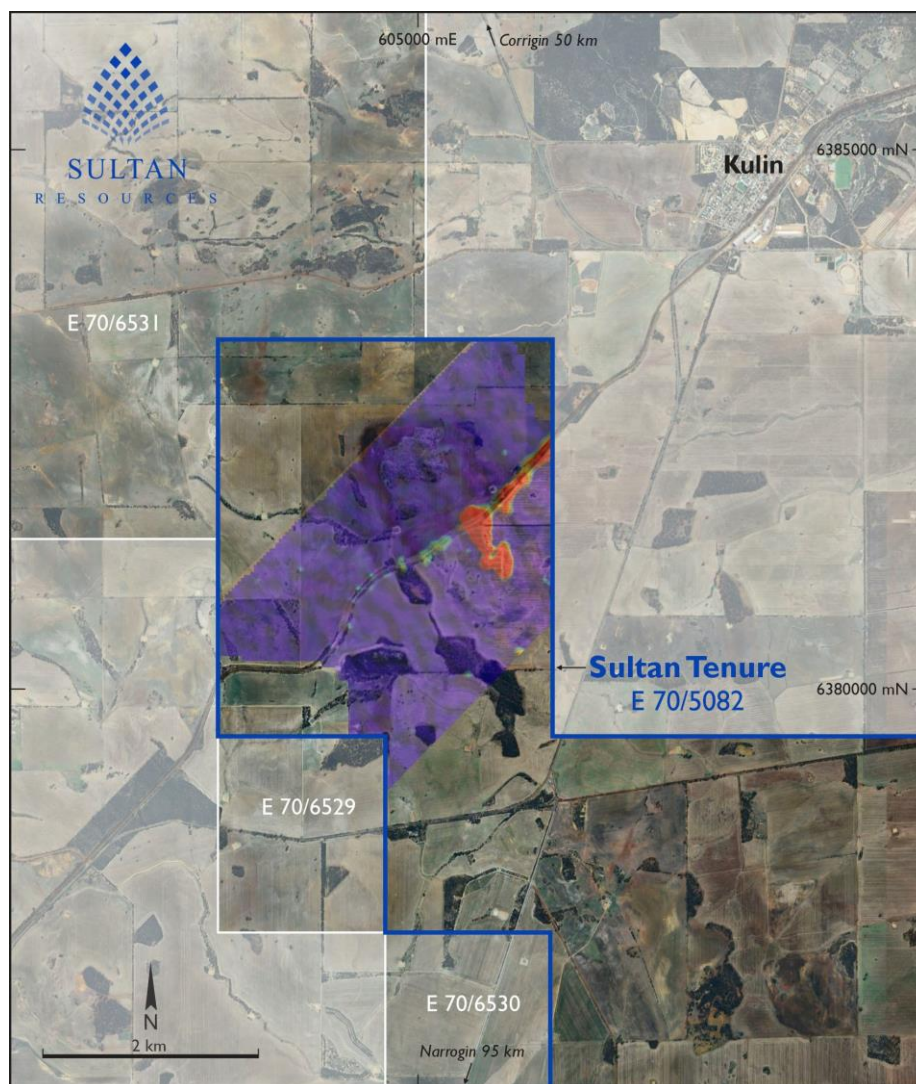


Figure 4: EM anomaly in relation to Kulin township, with location of recently granted applications (E70/6529-31)

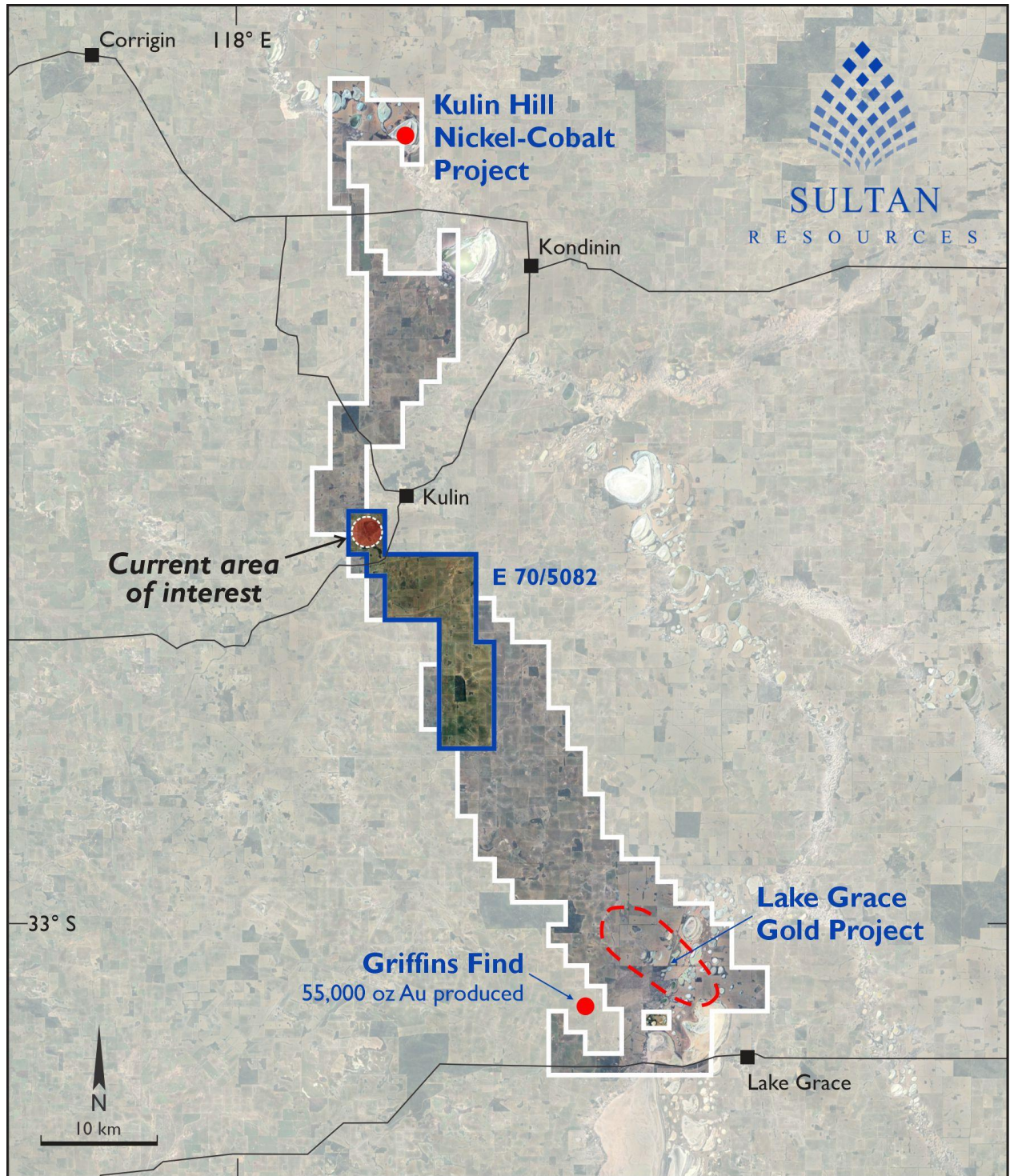


Figure 5: Overview Plan of Sultan's Kondinin-Lake Grace Project in the Southwest Terrane of WA, with RTX farm-in/JV tenement E70/5082 and current area of interest highlighted.



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”

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 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 | <ul style="list-style-type: none"> 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 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 | <ul style="list-style-type: none"> Not Applicable, reporting geophysical results only |
| Drill sample recovery | <ul style="list-style-type: none"> Not Applicable, reporting geophysical results only |
| Logging | <ul style="list-style-type: none"> Not Applicable, reporting geophysical results only |
| Sub-sampling techniques and sample preparation | <ul style="list-style-type: none"> Not Applicable, reporting geophysical results only |
| Quality of assay data and laboratory tests | <ul style="list-style-type: none"> Not Applicable, reporting geophysical results only |
| Verification of sampling and assaying | <ul style="list-style-type: none"> Not Applicable, reporting geophysical results only |
| Location of data points | <ul style="list-style-type: none"> 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 $\pm 10\text{m}$ from the planned elevation, using radar altimeter SF-01. Project locations fall in UTM Zone 50. |
| Data spacing and distribution | <ul style="list-style-type: none"> 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. Not Applicable, reporting geophysical results only |
| Orientation of data in relation to geological structure | <ul style="list-style-type: none"> 045/225 considered approximately normal to anticipated longitudinal axis of geophysical anomaly and supported by results. |



| Criteria | Commentary |
|--------------------------|---|
| Sample security | <ul style="list-style-type: none"> Not Applicable, reporting geophysical result only |
| Audits or reviews | <ul style="list-style-type: none"> Not Applicable, reporting geophysical result only |

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 | <ul style="list-style-type: none"> 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. Access agreements will be required to be signed with a landowner before any on-ground exploration activities are undertaken. 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. |
| Exploration done by other parties | <ul style="list-style-type: none"> Not Applicable, AusAEM survey discussed previously. |
| Geology | <p>The Company is targeting:</p> <ul style="list-style-type: none"> Ni-Cu-Co sulfide mineralisation and Gold mineralisation in greenstone terranes of Archaean age |
| Drill hole Information | <ul style="list-style-type: none"> Not Applicable, reporting geophysical result only |
| Data aggregation methods | <ul style="list-style-type: none"> Not Applicable, reporting geophysical result only |
| Relationship between mineralisation widths and intercept lengths | <ul style="list-style-type: none"> Not Applicable, reporting geophysical result only |
| Diagrams | <ul style="list-style-type: none"> Refer to figures and images included in this report |
| Balanced reporting | <ul style="list-style-type: none"> Further detail can be gained from reports referenced or from individual company website. |
| Other substantive exploration data | <ul style="list-style-type: none"> More detailed geological review will follow in subsequent reporting |
| Further work | <ul style="list-style-type: none"> Discussed in this report |