

ASX ANNOUNCEMENT

30th January 2019

DECEMBER QUARTERLY REPORT

For the period 1st October – 31st December 2018

Sultan Resources Ltd

ACN: 623 652 522

CORPORATE DETAILS

ASX Code: SLZ

DIRECTORS

STEVEN GROVES
MANAGING DIRECTOR

JEREMY KING
CHAIRMAN

LINCOLN HO
NON-EXECUTIVE DIRECTOR

ARIEL EDWARD KING
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 31st December 2018.

MAIDEN DRILLING PROGRAM COMPLETED AT THADUNA PROSPECT

Sultan Resources completed its first exploration drilling program at the Thaduna prospect during the quarter (see SLZ ASX Announcement 13/12/2018). The program included 71 vertical aircore drill holes for a total of 2,797m designed as a first pass assessment of licence E52/3481 to understand the geological setting and ascertain the location and tenor of any gold or base metal occurrences. The program successfully identified a number of very strong exploration targets with a prominent, 1km long gold anomaly occurring coincident with Archaean greenstones in contact with granites in the north of the licence as well as a NE-SW trending, widespread multi-element base metal anomaly trending for over 1.5km diagonally across the licence. Both anomalies show strong similarities in geological setting and the element association to results from exploration that led to the discovery of nearby significant gold and base metal mineralisation such as Lodestar’s Ned’s Creek Gold (see LSR ASX Announcement on 03/08/2018) and Sandfire Resources Enigma Project (Sandfire ASX announcement 25/10/2018).

Highlights from the program included:

- **1km long gold anomaly defined**
 - Peak values of **4m @ 373 ppb Au** and **4m @ 157ppb Au**
- Gold anomaly shows similar geological setting and element association to nearby intrusion-related gold discoveries such as Ned’s Creek Gold Project
- **>1.5km long multi-element base metal trend identified**
 - Peak values over **4m** of **520ppm Cu, 760ppm Zn, 405ppm Co, 578ppm Ni, 1380ppm Pb**
- Base metal trend shows similar structural setting and element association to nearby sediment-hosted copper discoveries such as the Enigma Copper Project

Infilling and extending the new anomalies will be the focus for future drilling in 2019 with the aim of delineating targets for deep drilling to find the primary source of the gold or base metal anomalism.

OTHER ACTIVITIES

Sultan undertook heritage surveys at the Thaduna Project and received clearance for access to over 90% of E52/3461 from the Yamatji Marlpa Aboriginal Corporation (YMAC), as the representative of the Yuguna-Nya Traditional Owners of the area. Sultan is continuing to work with YMAC to access the remaining areas as required.



Sultan continued land access negotiations with private land owners in both the Lake Grace and Dalwallinu areas during the quarter. The Company looks forward to progressing access agreements for these important areas in preparation for the 2019 exploration program.

PORTFOLIO OVERVIEW

Managed by an experienced Board, Sultan has 100% ownership of a 946km² portfolio of ground prospective for gold, nickel, cobalt and base metals and lies in close proximity to a number of significant recent discoveries.

Sultan's portfolio consists of four project areas (see Fig 1.): Thaduna in the Peak Hill area approximately 190km NE of Meekatharra, Lake Grace approximately 250km SE of Perth, East Tallering 180km east of Geraldton and Dalwallinu 195km NE of Perth. All projects lie in under-explored regions of the prolific Yilgarn Craton and all display highly encouraging past exploration results, including demonstrated mineralization in drill holes.

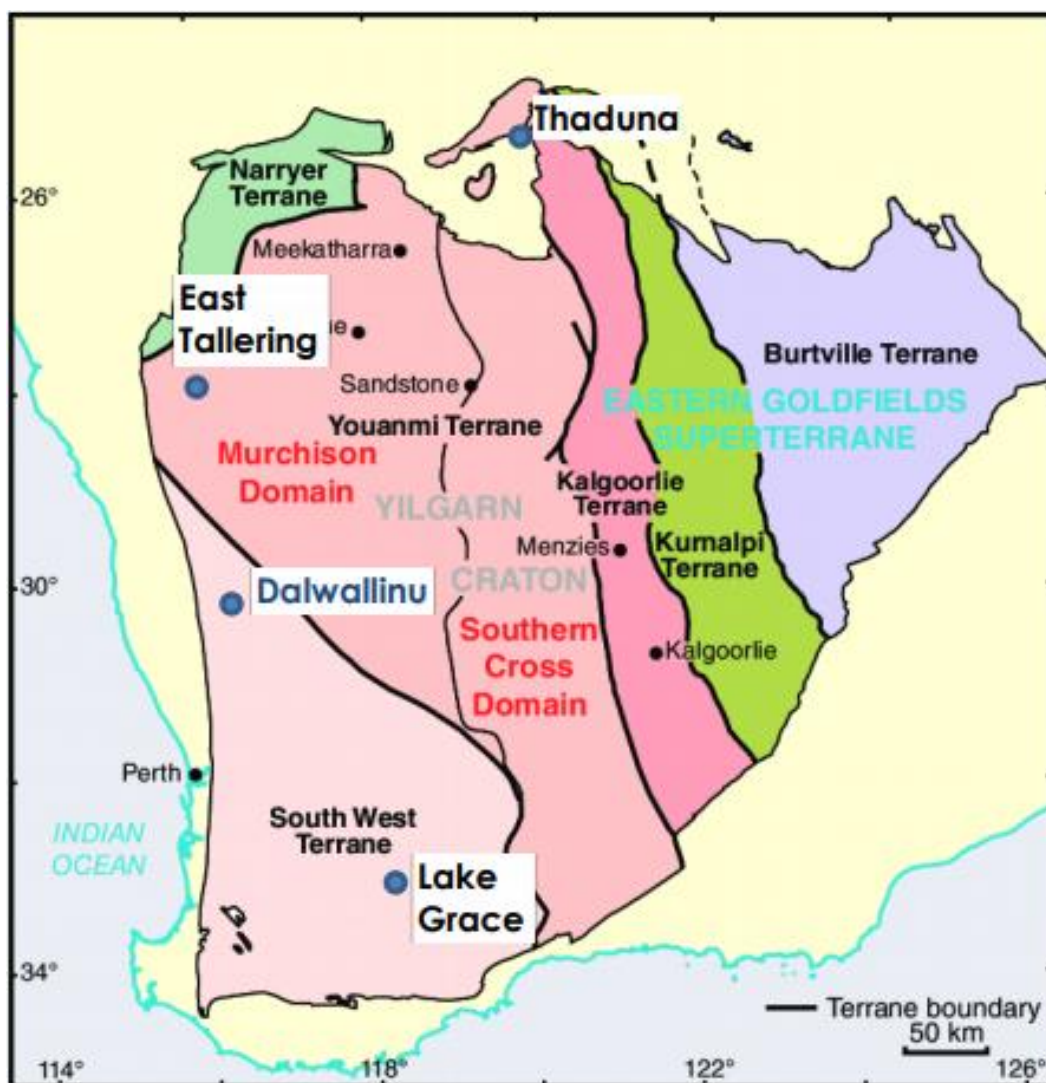


Fig 1. Project map

THADUNA PROJECT – TENEMENTS: E52/3481. E52/3461

The Thaduna Project is located 190km northeast of Meekatharra and adjacent to Lodestar Minerals Ltd's (ASX: LSR) Ned Creek Gold discovery where the past year has seen exploration by Lodestar uncover what appears to be a major intrusion-



related gold system with similar characteristics to a number of 1Moz+ gold deposits elsewhere in the Yilgarn Craton (see LSR ASX Announcement on 03/08/2018). The gold-bearing structures and host rocks appear to trend into Sultan's tenure and the Company initial aircore drilling at Thaduna has uncovered significant gold and base metal anomalism requiring further follow up. In addition to Ned's Creek, Sandfire Resources NL's (ASX:SFR) and Australian Mines Ltd (ASX: AUZ) have permits adjacent to Thaduna.

LAKE GRACE PROJECT – TENEMENTS: E70/5081, E70/5082, E70/5085, E70/5095, E70/5179

The Lake Grace Project contains prospects that are highly prospective for nickel, cobalt and gold. The area lies in the Southwest Terrane of the Yilgarn Craton, located 4km north of the town of Lake Grace in WA, where numerous under-explored metamorphosed Archean greenstone belts (elsewhere greenstones are host to most of the Yilgarn's gold endowment) have been recognised. The Southwest Terrane hosts the giant Boddington Gold Deposit (>30Moz, Newmont Mining) and the more recently discovered Quicksilver Ni-Co-Sc deposit (Golden Mile Resources Ltd - G88), Tampia Gold Project (675Koz, Explaurum Ltd (ASX:EXU)) and the Katanning Gold Project (700Koz, Ausgold Ltd (ASX:AUC)). The area has lately been the focus of regional exploration targeting exercises by Gold Road Resources Ltd (ASX: GOR), discoverers of the 5.9Moz Gruyere Gold Deposit, and Cygnus Gold Ltd (ASX:CY5), where over 5,000km² of ground immediately surrounding Sultan's tenements has been pegged by these two companies.

The Lake Grace Project is located approximately 60km northwest of Golden Mile Resources Ltd's (ASX: G88) Quicksilver Ni-Co-Sc discovery and contains historically-drilled ultramafic rock types with anomalous nickel and cobalt levels in the weathered profile and disseminated nickeliferous sulphides containing cobalt evident in fresh rock.

EAST TALLERING PROJECT – TENEMENTS: EL 59/2185

The East Tallering Project is located 180km east of Geraldton covering an area of 67km² within the northeast extension of the Tallering Greenstone Belt (TGB). Within the TGB, gold and base metal mineralization occurs at numerous locations and Sultan's licence is adjacent to Kalamazoo Resource Ltd's (ASX:KZR) Snake Well Gold Project which includes the historic high-grade Royal Standard Gold Mine and the more recently defined resources of 141koz Au at Snake Well. Past exploration on Sultan's licence has revealed a large gold-mineralised alteration and quartz-vein system evident at the top of bedrock which has not had any deeper drill testing.

DALWALLINU PROJECT – TENEMENT: EL 70/4884

The Dalwallinu Gold Project covers a 20km strike length of the prospective Yerlering fault corridor and encloses the small, high grade Pithara Gold Deposit discovered by Independence Group NL (ASX:IGO) in 2005. Dalwallinu covers an area of approximately 167km², located 195km northeast of Perth and 60km southwest of the Mt Gibson gold mine (+1M oz Au).

**SCHEDULE OF TENEMENTS**

Tenement	Holder	Status	Area	Application Date	Grant Date	Expiry Date	Required Expenditure
Dalwallinu Project							
E70/4884	Sultan 100%	Live	57 blocks	30/06/2016	4/08/2017	3/08/2022	\$57,000
Thaduna Project							
E52/3461	Sultan 100%	Live	6 blocks	11/07/2016	31/10/2017	30/10/2022	\$20,000
E52/3481	Sultan 100%	Live	1 block	19/10/2016	8/02/2018	7/02/2023	\$10,000
Tallering East Project							
E59/2185-I	Sultan 100%	Live	22 Blocks	17/06/2016	1/02/2017	31/01/2022	\$22,000
Lake Grace Project							
E70/5081	Sultan 100%	Live	58 blocks	21/11/2017	23/07/2018	22/07/2023	\$58,000
E70/5082	Sultan 100%	Live	37 blocks	23/11/2017	31/07/2018	30/07/2023	\$37,000
E70/5085	Sultan 100%	Live	65 blocks	24/11/2017	23/07/2018	22/07/2023	\$65,000
E70/5095	Sultan 100%	Live	54 blocks	1/12/2017	31/07/2018	30/07/2023	\$54,000
E70/5179	Sultan 100%	Pending	28 blocks	1/6/2018	N/A	N/A	N/A