

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

SULTAN RESOURCES LTD

ABN

35 623 652 522

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | Ordinary fully paid shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | Up to 15,875,101 fully paid ordinary shares to be issued via a 1 for 2 pro-rata non-renounceable Loyalty Offer |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Ordinary fully paid shares at an issue price of \$0.005 per share under the Loyalty Offer, ranking equally with all other fully paid ordinary shares |

+ See chapter 19 for defined terms.

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<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes</p>
<p>5 Issue price or consideration</p>	<p>\$0.005 (0.5 cents) per share</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Loyalty Offer of one share for every two shares held at the record date as per the Offer Document dated 15 February 2019.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>20 November 2018</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>Not applicable</p>

+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	Not applicable				
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Not applicable				
6f	Number of +securities issued under an exception in rule 7.2	Approximately 15,875,101 shares (LR 7.2 Exception 1)				
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	Not applicable				
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not applicable				
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	7.1: 7, 143,796 7.1A: 4,762,530				
7	+Issue dates <small>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.</small>	Proposed issue date on or around 13 March 2019				
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">41,875,101</td> <td style="text-align: center;">Fully Paid Ordinary Shares (SLZ)</td> </tr> </tbody> </table>	Number	+Class	41,875,101	Fully Paid Ordinary Shares (SLZ)
Number	+Class					
41,875,101	Fully Paid Ordinary Shares (SLZ)					
		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> </thead> <tbody> <tr> <td style="height: 20px;"></td> <td style="height: 20px;"></td> </tr> </tbody> </table>	Number	+Class		
Number	+Class					

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9	Number and ⁺ class of all ⁺ securities not quoted on ASX (including the ⁺ securities in section 2 if applicable)	947,500	Fully Paid Ordinary Shares subject to ASX escrow for 12 months from the date of issue being, 28 April 2018
		4,802,703	Fully Paid Ordinary Shares subject to ASX escrow for 24 months from the date of quotation being, 16 August 2018
		6,000,000	Unlisted Options exercisable at 24c on or before the date which is 5 years following the Company admission to the Official List, expiring 7 August 2023, subject to ASX escrow for 24 months from the date of quotation being 16 August 2018
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A	

Part 2 - Pro rata issue

11	Is security holder approval required?	No	
12	Is the issue renounceable or non-renounceable?	Pro-rata non-renounceable Loyalty Offer	
13	Ratio in which the ⁺ securities will be offered	1 new share for every 2 existing shares	
14	⁺ Class of ⁺ securities to which the offer relates	Fully paid Ordinary Shares	
15	⁺ Record date to determine entitlements	Thursday 21 February 2019 (5.00pm WST)	

+ See chapter 19 for defined terms.

16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable
17	Policy for deciding entitlements in relation to fractions	Rounding down to nearest whole number
18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	N/A
19	Closing date for receipt of acceptances or renunciations	Wednesday 6 March 2019 (5.00pm WST)

+ See chapter 19 for defined terms.

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20	Names of any underwriters	Not applicable
21	Amount of any underwriting fee or commission	Not applicable
22	Names of any brokers to the issue	Xcel Capital Pty Ltd and ARQ Capital Pty Ltd -Joint Lead Managers
23	Fee or commission payable to the broker to the issue	Management fee of \$30,000 (plus GST), to be split equally between each of the Lead Managers, plus 6% selling fee in the event of any shortfall (plus GST). Refer to Offer Document for further details.
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	Not applicable
25	If the issue is contingent on security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	Monday 25 February 2019
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Friday 15 February 2019
28	Date rights trading will begin (if applicable)	Not applicable
29	Date rights trading will end (if applicable)	Not applicable
30	How do security holders sell their entitlements <i>in full</i> through a broker?	Not applicable
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not applicable

+ See chapter 19 for defined terms.

- 32 How do security holders dispose of their entitlements (except by sale through a broker)?
- 33 ⁺Issue date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of ⁺securities
(tick one)

(a) ⁺Securities described in Part 1

(b) All other ⁺securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders

36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional ⁺securities

⁺ See chapter 19 for defined terms.

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Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

39 +Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)		

+ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:  Date: 15 February 2019
(~~Director~~/Company secretary)

Print name: Mauro Piccini

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	31,750,203
<p>Add the following:</p> <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	15,875,101 fully paid ordinary shares issued via a Loyalty Issue under LR 7.2 exception 1 in February 2019
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	
“A”	47,625,304

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	7,143,796
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
“C”	
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	7,143,796
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	0
Total [“A” x 0.15] – “C”	7,143,796 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	47,625,304
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	4,762,530
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
“E”	0

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
<p>“A” x 0.10</p> <p><i>Note: number must be same as shown in Step 2</i></p>	<p>4,762,530</p>
<p>Subtract “E”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	<p>0</p>
<p>Total [“A” x 0.10] – “E”</p>	<p style="text-align: center;">4,762,530</p> <p><i>Note: this is the remaining placement capacity under rule 7.1A</i></p>

+ See chapter 19 for defined terms.



SULTAN
RESOURCES
ASX ANNOUNCEMENT

15th February 2019

**NOTICE PURSUANT TO SECTION 708AA(2)(F) OF THE
CORPORATIONS ACT 2001 (CTH)**

On Friday 15 February 2019, Sultan Resources Ltd (ASX: SLZ) (**Sultan** or **Company**) announced a pro-rata non-renounceable loyalty offer of ordinary shares in the Company on the basis of one (1) new share (**New Share**) for every two (2) existing shares held, at an issue price of \$0.005 (0.5 cents) per share (**Loyalty Offer**).

The purpose of the Loyalty Offer is to reward seed and initial public offer investors for their loyalty, having committed their capital at or before the Company's initial public offer. The Loyalty Offer will also serve to help maintain Shareholder loyalty and share ownership for any Shareholders who have purchased shares since the Company's shares commenced quotation on ASX. In addition, the Loyalty Offer will raise a minimal amount of up to \$79,376 (less costs of the Loyalty Offer) and provide future exploration and general working capital funds for the Company's prospects.

The Loyalty Offer will involve the issue of up to a maximum of 15,875,101 New Shares, resulting in 47,625,304 Shares being on issue following completion of the Loyalty Offer. Fractions of entitlements will be rounded down to the nearest whole number.

Full details of the Loyalty Offer are contained in the offer document lodged with ASX on Friday 15 February 2019 (**Offer Document**). The Offer Document together with the Entitlement and Acceptance Form will be mailed to all Eligible Shareholders on Monday, 25 February 2019.

Pursuant to section 708AA(2)(f) of the Corporations Act 2001 (Cth) (**Act**), the Company hereby states:

1. The Company will offer the New Shares for the issue without disclosure to investors under Part 6D.2 of the Act.
2. The Company is providing this notice under section 708AA(2)(f) of the Act.
3. As at the date of this notice, the Company has complied with:
 - (a) the provisions of Chapter 2M of the Act as they apply to the Company; and
 - (b) section 674 of the Act.
4. As at the date of this notice there is no information:
 - (a) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
 - (b) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or

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

CONTACT

Suite 2, Level 1,
1 Altona Street
West Perth WA 6005
www.sultanresources.com.au



- (ii) the rights and liabilities attaching to the Shares.
5. Information regarding the potential effect of the issue of New Shares pursuant to the Loyalty Offer on the control of the Company, and the consequences of that effect, is set out below.
- (a) The issue of New Shares will be dilutive to shareholders who do not take up their entitlement under the Offer. The potential effect which the Offer will have on the control of the Company depends on several factors including the demand amongst Eligible Shareholders and the size of the Shortfall.
- (b) The potential effect of the Offer on the control of the Company is as follows:
- (i) If all eligible shareholders take up their Entitlements under the Offer, then the Offer will have no effect on the control of the Company.
- (ii) If some eligible shareholders do not take up all of their entitlements under the Offer, then their percentage shareholding and voting power in the Company will be diluted.
- (iii) In addition, other eligible shareholders may be successful in applying for New Shares under the Shortfall Offer which will be dilutive to eligible shareholders who do not take up all of their entitlement.
- (iv) The percentage shareholding and voting power of ineligible shareholders will also be diluted by New Shares issued under the Offer, as a result of ineligible shareholders not being able to participate in the Offer and the relevant shares forming part of the shortfall to be dealt with at the discretion of the directors.
6. The effect the Loyalty Offer will have on change of control of the Company is described above and the table below, and is attributable to eligible shareholders successfully applying for New Shares under the Loyalty Offer.
- (a) The Directors and their associates have expressed an intention to participate in the Offer to the extent set out in the table below. This will have a minor dilutionary effect (on the same basis as other Eligible Shareholders who take up their Entitlementments):

Director	Shares	Voting Power	Entitlement	Value of Entitlement
Jeremy King	132,883	0.42%	29,530	\$944.95
Ariel Edward King	170,000	0.54%	37,778	\$1,208.89
Steven Groves	100,000	0.32%	22,222	\$711.11
Lincoln Ho	125,000	0.39%	27,778	\$888.89

Notes:

- (1) The Directors' intentions are indicative as at the date of the Company's announcement of the Loyalty Offer and subject to change without notice.
- (b) The issued share capital of the Company is as follows (assuming full subscription of the Loyalty Offer):

	Number of Shares
Balance at the date of this Notice	31,750,203
Maximum number of New Shares to be issued under the Offer	15,875,101
Balance after the Offer	47,625,304

Mauro Piccini
Company Secretary
Sultan Resources Limited