

ASX ANNOUNCEMENT

20th February 2019

LAKE GRACE EXPLORATION UPDATE

Highlights

- New West Australian licence granted covering ~77km² adjacent to Lake Grace Project
- 9,000-line km airborne geophysical survey completed at Lake Grace, results anticipated Q1
- Land Access negotiations well advanced

The Board of Sultan Resources Ltd (**Sultan** or the **Company**) is pleased to provide shareholders with an update of the Company's exploration activities for the beginning of 2019.

New Licence Granted, Western Australia

The Company recently received notification from the Western Australian Department of Mines, Industry, Regulation and Safety (DMIRS) that its application for licence E70/5179 has been successfully granted. The licence, comprising 28 graticular blocks covering ~77km², lies adjacent to the Company's substantial Lake Grace package of granted tenements (Figure 1) in the Southwest terrane of the Yilgarn Craton in Western Australia. The licence is prospective for gold mineralisation and is situated along strike to the southeast of the historically mined Griffins Find gold deposit and the historically drilled Ridge / Taylors gold prospect.

Geophysics

Sultan commenced exploration at its Lake Grace Project during December 2018 with the commissioning of a detailed airborne magnetic and radiometric survey of the entire tenement package. Approximately 9000-line kilometres were surveyed across the Project to provide high-resolution magnetic imagery, to further understand the geology and structure with a view to identifying potential gold and nickel target areas for follow up ground exploration. Lines were flown in at 100m spacing with a sensor height of 40m and the survey was completed at the end of 2018.

Preliminary images of the data have been received and the Company has commissioned Core Geophysics to undertake full processing and interpretation of the data to assist in target generation. This work is ongoing and a comprehensive report is due in the coming weeks.

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

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Land Access

The entire Lake Grace Project area is situated in the wheatbelt district of southern Western Australia, with most of the licences located on privately-owned farmland. Individual Landowner Access agreements are required to secure surface access rights to the land and the Company has identified priority areas where ground exploration is planned to commence. To date, the Company has experienced positive and cordial welcome with all landowners approached and access agreement negotiations with relevant landowners over priority areas are well advanced.

Sultan Resources looks forward to providing ongoing updates as it progresses towards ground exploration at the highly prospective Lake Grace Project.

For further information contact:

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Competent Persons Statement

The information in this report that relates to Exploration Targets and Exploration Results is based on information compiled by Mr Steven Groves, who is a Competent Person and a Member of the Australian Institute of Geoscientists. Mr Groves is Managing Director and a full-time employee of Sultan Resources Limited. Mr Groves 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 Groves consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

About Sultan Resources

Sultan Resources is a West Australian focused exploration company with a portfolio of quality assets in emerging discovery terranes currently targeted by successful explorers such as Gold Road Resources, Sandfire Resources and Lodestar Minerals. Sultan's tenement portfolio includes prospective targets for gold, Nickel, Cobalt and base metals and include tenements at Thaduna, Lake Grace, East Tallering and Dawallinu, all located within the southern terrane region of the Yilgarn Craton in south and south eastern Western Australia. Sultan's board and management strategy is for a methodical approach to exploration across the prospects in order to discover gold and base metals that may be delineated via modern exploration techniques and exploited for the benefit of the company and its shareholders.

