

## ASX ANNOUNCEMENT

30 October 2019

## SEPTEMBER QUARTERLY REPORT

For the period 1<sup>st</sup> July – 30<sup>th</sup> September 2019

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 30<sup>th</sup> September 2019.

## PROJECTS

### Lake Grace

During the quarter the Sultan commenced a detailed ground gravity survey at the Company's Lake Grace Project, located approximately 250km southeast of Perth, WA (Figure 1). Designed to cover the Challenger Prospect and extend northwest along the gold-hosting regional structural trend, the survey will aim to provide detailed geological information on the dense, mafic gold-hosting rock types and will assist in planning follow-up drilling to target likely sites of higher-grade gold accumulation.

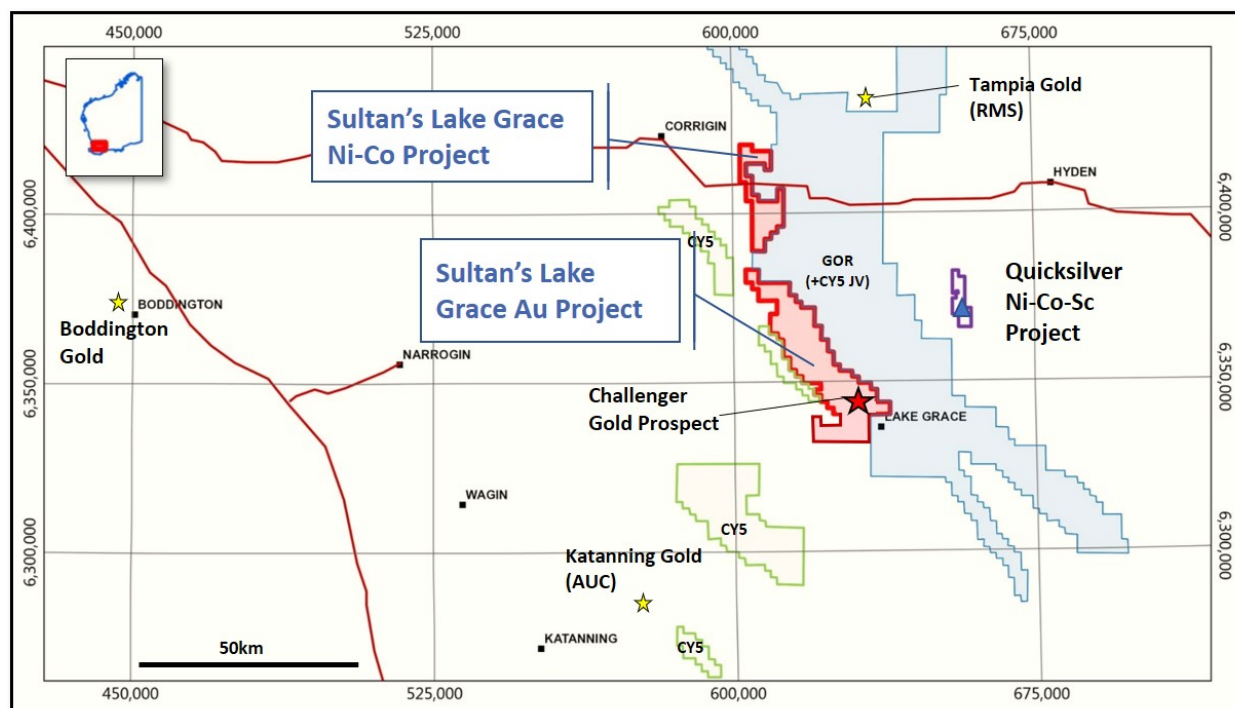


Figure 1: Regional map view of Sultan's Lake Grace portfolio in relation to surrounding tenure and significant gold deposits. SLZ's Challenger Gold Prospect is marked by a red star.



The survey will provide high resolution gravity data across the recently drilled Challenger Gold Prospect and extend north-west to cover historically identified gold anomalies associated with mafic rock types (Figure 2). All the historically identified anomalies show near-surface gold values in excess of 10ppb Au, with historic RAB and Aircore drill results extending to over 100ppb at depth over significant widths at Columbia and north-west of Challenger (see SLZ ASX release, 23/09/2019). The survey will collect data at 100m x 100m spacing over Challenger, 200 x 100m in the area surrounding Challenger, and 200m x 200m along the trend to the northwest and cover a strike length of almost 20km of the prospective gold trend identified at Lake Grace.

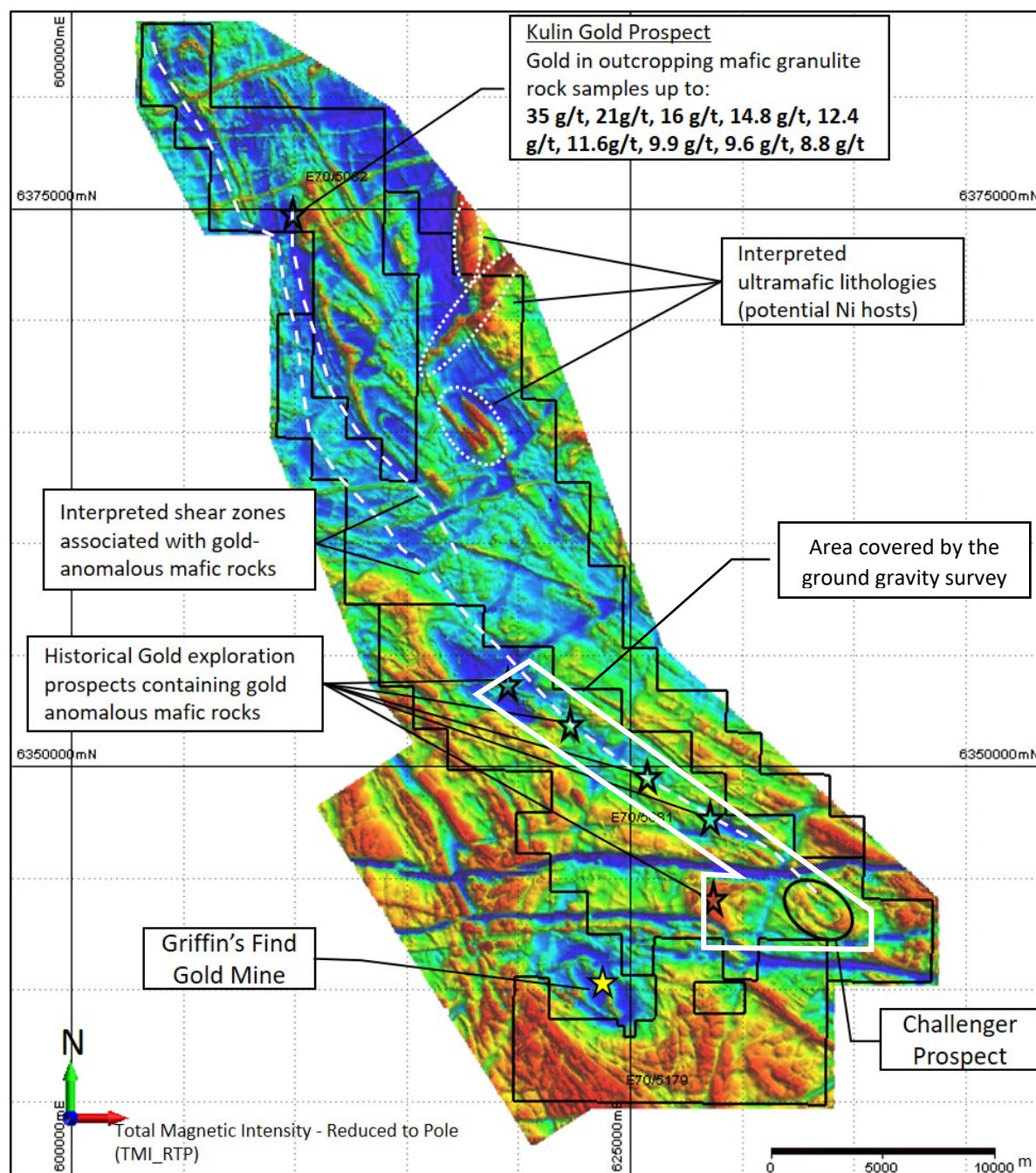


Figure 2: Regional magnetic image of Sultan's Lake Grace portfolio. The Challenger Prospect, located in the southeast, marks the start of a northwest-trending zone of gold-anomalous mafic rocks associated with major NW-trending features interpreted to indicated major shearing. The evidently strongly folded stratigraphy at the Kulin Gold Prospect is coincident with historic surface samples of high-grade gold. Results indicated at the Kulin prospect are from historic exploration by Associated Goldfields<sup>3</sup>



## ACTIVITIES SUBSEQUENT TO THE REPORTING PERIOD

On the 29<sup>th</sup> October Sultan announced the results of the Company's ground gravity survey at the Lake Grace Gold Project (ASX Announcement 29/10/2019). Completed in early October, the survey was designed to provide high resolution gravity data across the recently drilled Challenger Gold Prospect and extend north-west to cover historically identified gold anomalies associated with mafic rock types. A total of 2156 ground gravity readings were acquired by Atlas Geophysics between 23/9/19 and 8/10/19. Readings were taken at varying spacings along east-west lines mostly positioned 200m apart. Closer spaced readings were taken around the Challenger prospect on a 100m x 100m grid. All data was forwarded to Core Geophysics where readings were corrected to produce a spherical cap bouguer anomaly (SCBA) and a detailed analysis of the data to identify targets prospective for gold mineralization was undertaken.

### Results

The survey has revealed at least four prospective targets (Figure 3), the most prominent of which exists at the Challenger Gold Prospect where recent drilling by Sultan has discovered thick zones of significant gold mineralization over a wide area. All four targets are all associated with recent and/or historic gold anomalism.

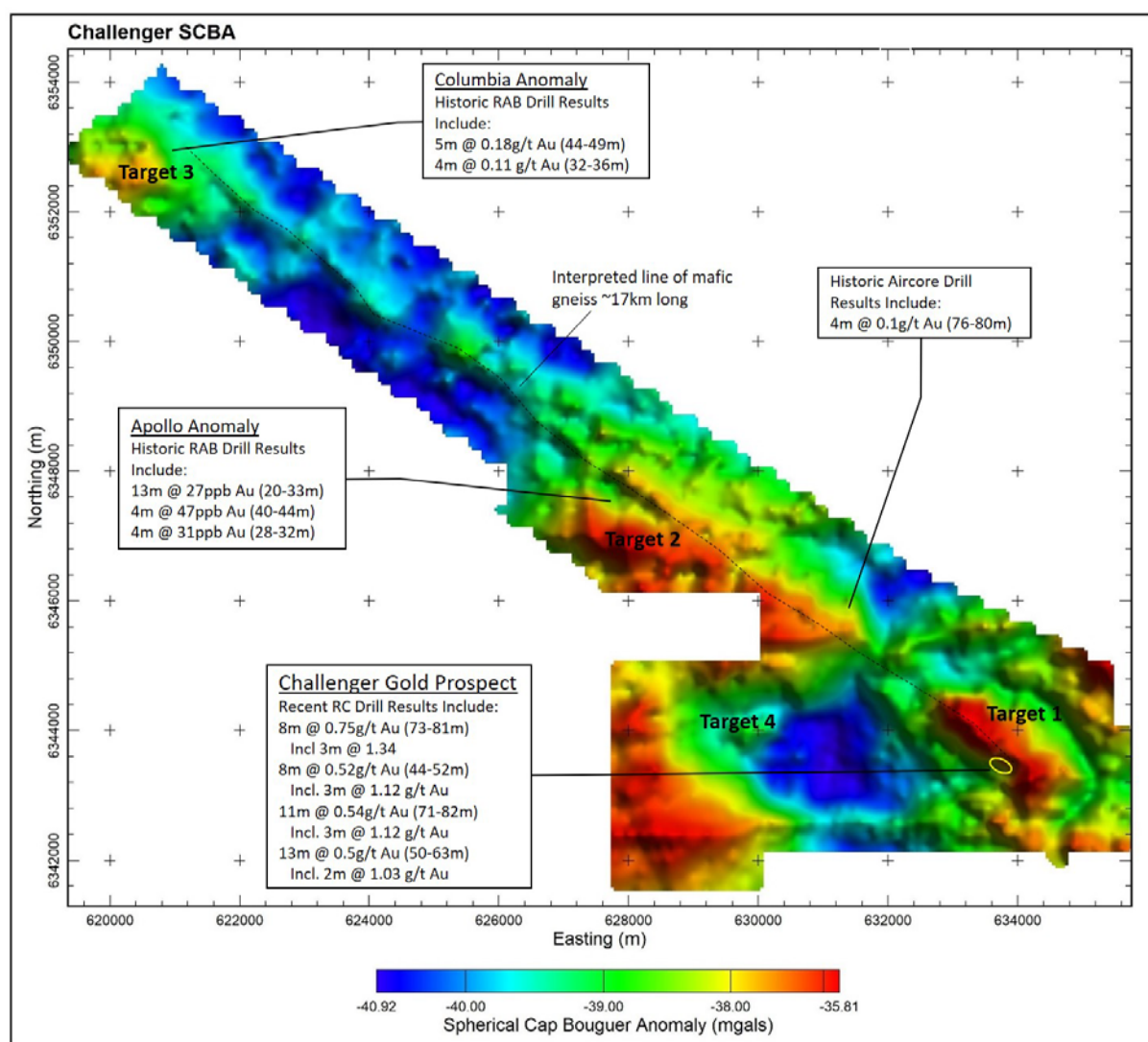


Figure 3. Proposed exploration targets for the Challenger gravity survey with recent and historic significant gold results



### Target 1 – Challenger Gold Prospect

A large gravity high has been mapped at the Challenger prospect and is likely to represent a mafic gneiss/granulite given this was recorded in EOH geology for several historic air-core holes that traverse the anomaly. The 2km long, slightly arcuate high encloses the recent drilling by Sultan and remains untested by deeper drilling. All historic Aircore/RAB drilling was either too shallow or stopped in highly weathered bedrock to provide an effective test of the gravity high.

### Target 2 – Apollo

This target is located about 6km northwest of Challenger, along the interpreted line of mafic gneisses and is characterised by a discrete gravity high similar in amplitude to that of the Challenger prospect. The target is adjacent to North's historic Apollo prospect, where numerous shallow RAB holes returned highly anomalous gold results (Figure 3).

### Target 3 – Columbia

This target is located about 16km northwest of Challenger, along the interpreted line of mafic gneisses and is characterised by a broad gravity high coincident with a structurally disrupted magnetic unit. The target is adjacent to North's historic Columbia prospect, where shallow RAB drilling returned highly anomalous gold results including 5m @ 0.18g/t Au and 4m @ 0.11g/t Au (Figure 3).

### Target 3

This target is proposed due to geological and geophysical similarities with the Griffin's Find deposit. Although not specifically a gravity target, the qualitative similarity in magnetic stratigraphy makes this a compelling, but still speculative, exploration target.

Sultan is continuing to review the gravity results in conjunction with their recent drilling to design follow up exploration programs. The focus will be on the Challenger Prospect, where significant gold mineralization has already been discovered.

## OTHER PROJECTS

### Thaduna

Follow up exploration of the recent gold and base-metal aircore anomalies defined late in 2018 are planned for the 2019 field season. Activities are anticipated to include ground geophysical surveys and further shallow and deep drilling. Negotiations with traditional heritage groups for further land access are ongoing.

### East Talling

A drill program following up historic aircore and RAB gold mineralisation has been planned and discussions with traditional heritage groups for land access are ongoing.

### Dalwallinu

Landowner access negotiations are ongoing.

## PORTFOLIO OVERVIEW

Sultan has 100% ownership of a 946km<sup>2</sup> 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:

- Thaduna in the Peak Hill area approximately 190km NE of Meekatharra,
- Lake Grace approximately 250km SE of Perth





- East Talling 180km east of Geraldton
- Dalwallinu 195km NE of Perth

## CORPORATE

Sultan's cash position as at 30 September 2019 was \$2.903 million

## SCHEDULE OF TENEMENTS

Tenement	Holder	Status	Area	Application Date	Grant Date	Expiry Date	Required Expenditure
<b>Dalwallinu Project</b>							
E70/4884	Sultan 100%	Live	57 blocks	30/06/2016	4/08/2017	3/08/2022	\$57,000
<b>Thaduna Project</b>							
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
<b>Talling East Project</b>							
E59/2185-I	Sultan 100%	Live	22 Blocks	17/06/2016	1/02/2017	31/01/2022	\$22,000
<b>Lake Grace Project</b>							
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%	Live	28 blocks	1/6/2018	05/02/19	04/02/2024	\$28,000

### 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 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.