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## **SULTAN'S LAKE GRACE PROJECT SURROUNDED BY MAJOR COMPANIES AS PROSPECTIVITY OF THE REGION IS RECOGNISED**

**Sultan Resources Ltd**

ACN: 623652 522

### **CORPORATE DETAILS**

**ASX Code: SLZ**

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- **Lake Grace project forms part of interpreted mobile zone that hosts the recent Julimar Ni-Cu-PGE discovery**
- **Lake Grace portfolio surrounded by major mining and exploration companies:**
  - **Anglo American to north and west**
  - **Gold Road Resources to east**
- **Lake Grace hosts ultramafic rocks with evidence of nickel and cobalt bearing sulfides in historic drilling**
- **Strong geophysical evidence for >25km of cumulative strike length of ultramafic rocks across Sultans Lake Grace portfolio**
- **Lake Grace Project complements recently acquired eastern Lachlan Fold Belt Gold-Copper Projects.**

Sultan Resources Limited (ASX: SLZ) (**Sultan** or **Company**) is pleased to update the market regarding the prospectivity of the Company's Lake Grace tenement portfolio following the discovery of Chalice Gold Mines' Julimar Ni-Cu-PGE deposit (see Chalice ASX announcement of 23/03/2020) and subsequent rush to secure ground in the Southwest Yilgarn Terrane by major companies such as Anglo American plc.

Sultan owns a 690km<sup>2</sup> portfolio that is highly prospective for gold mineralisation and also contains historically drilled ultramafic rocks with evidence of nickel and cobalt bearing sulfides<sup>1</sup>. Detailed airborne magnetic surveying by the company (ASX Announcement 03/07/2020) has also revealed several unexplored areas with geophysical characteristics indicative of ultramafic rocktypes.

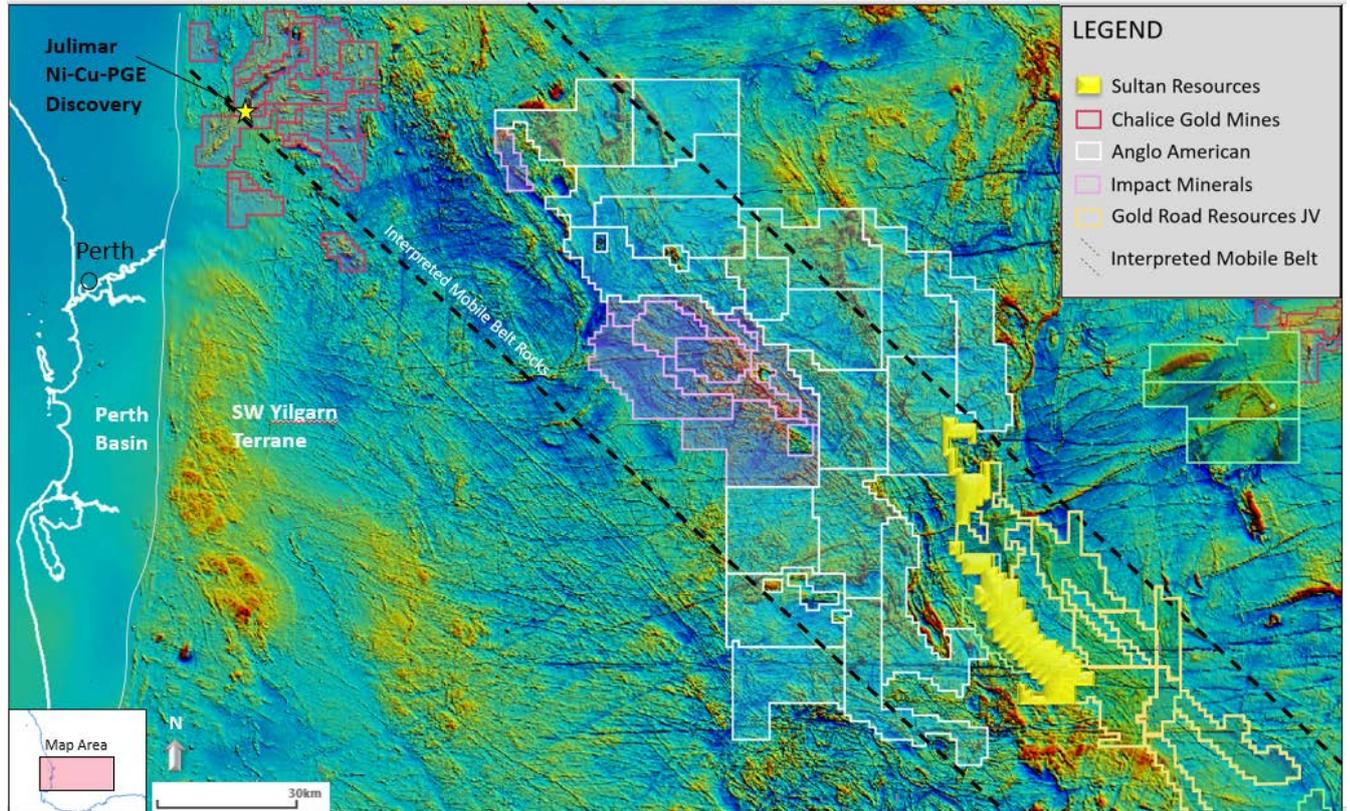


Figure 1: Sultan's Lake Grace portfolio of tenements in relation to the recent applications by Anglo American (white outline), Impact Minerals (pink outline) and the Gold Road Resources/Cygnus Gold JV (beige outline). All of Sultan's tenure lies within an interpreted mobile zone prospective for Ni-Cu mineralisation as postulated by Impact Minerals Ltd (see Impact Minerals announcement dated 10/06/2020)

## Regional Setting

Sultan's Lake Grace portfolio is situated within the southwest Yilgarn Terrane, a part of the prolific Yilgarn Craton that has undergone high grades of metamorphism. The area remains under-explored yet is host to Newmont's giant Boddington gold deposit and more recently, Chalice Gold Mines' spectacular Julimar Ni-Cu-PGE discovery (see Chalice ASX announcement dated 23/03/2020). The Julimar discovery is part of a 26km long layered mafic-ultramafic complex that has rarely been explored. Chalice identified the target via study of high-resolution regional magnetics. Julimar has returned drill results that include:

- 33m @ 6.5g/t Pd, 0.7g/t Pt, 1.6% Ni, 0.7% Cu, 0.1% Co from 44m (JRC001)
- 17.6m @ 5.3g/t Pd, 1.0g/t Pt, 1.3% Ni, 0.6% Cu from 191.4m (JD003)
- 41m @ 2.6g/t Pd, 0.5% Ni, 0.4% Cu, 0.03% Co from 39m (JRC006)

For further details on Julimar, see Chalice ASX announcement dated 15/07/2020.

The Julimar discovery has resulted in a rush to secure tenure in the southwest Yilgarn, particularly across a southeast-trending zone that is interpreted to represent a major crustal boundary, or mobile zone, within the area (Impact Minerals, ASX announcement 10/06/2020). This zone hosts Julimar and also encompasses Sultan's entire Lake Grace tenement portfolio.

Companies to have lodged exploration applications recently include Anglo American plc who have applied for a vast area which totals some 10,130 km<sup>2</sup>. Anglo's applications extend southeast covering a strike length of over 225km of the postulated mobile zone and abut Sultan's tenure to the north and



west. Impact Minerals have also secured a large land position in the area with the application of 1,900km<sup>2</sup> at their Arkun project (ASX Announcement 10/06/2020). Impact have interpreted the zone as “a deep structure that may have tapped the mantle and allowed nickel-copper and platinum group metals to migrate into the crust” (Dr. Mike Jones, ASX Announcement 10/06/2020).

### Kulin Hill and Lake Grace

Sultan Resources have long recognised the gold and nickel potential of their Lake Grace Project portfolio. During December 2018, the company commissioned by MAGSPEC Airborne Surveys to undertake a high-resolution airborne magnetic survey of its entire Lake Grace portfolio (ASX Announcement 03/07/2019). The survey was flown in two parts: the first across E70/5095 (Kulin Hill) and the second across E70/5081, E70/5082, E70/5085 and E70/5179 (Lake Grace). Data was collected along 100m-spaced lines at a sensor height of 40m for a total of 8,996 line-kilometres. A full geological, structural and exploration targeting exercise was undertaken on the survey results by Core Geophysics<sup>2,3</sup>. In terms of nickel potential, Core interpreted the following:

**Kulin Hill** - The area encompassed by the survey is characterised by granite and gneiss that forms a part of the Western Gneiss Terrain. **Small enclaves of mafic, ultramafic (potential nickel host rock)** and metasedimentary rocks are interpreted to occur within a portion of this survey<sup>2</sup>.

In the north, a **2.6km long ultramafic body is known to be associated with the occurrence of Ni-Co sulphides in historic drilling<sup>1</sup>** The survey has also delineated a further **14.5km strike of interpreted ultramafic bodies to the southeast that remain unexplored.** (Figure 2)<sup>2</sup>.

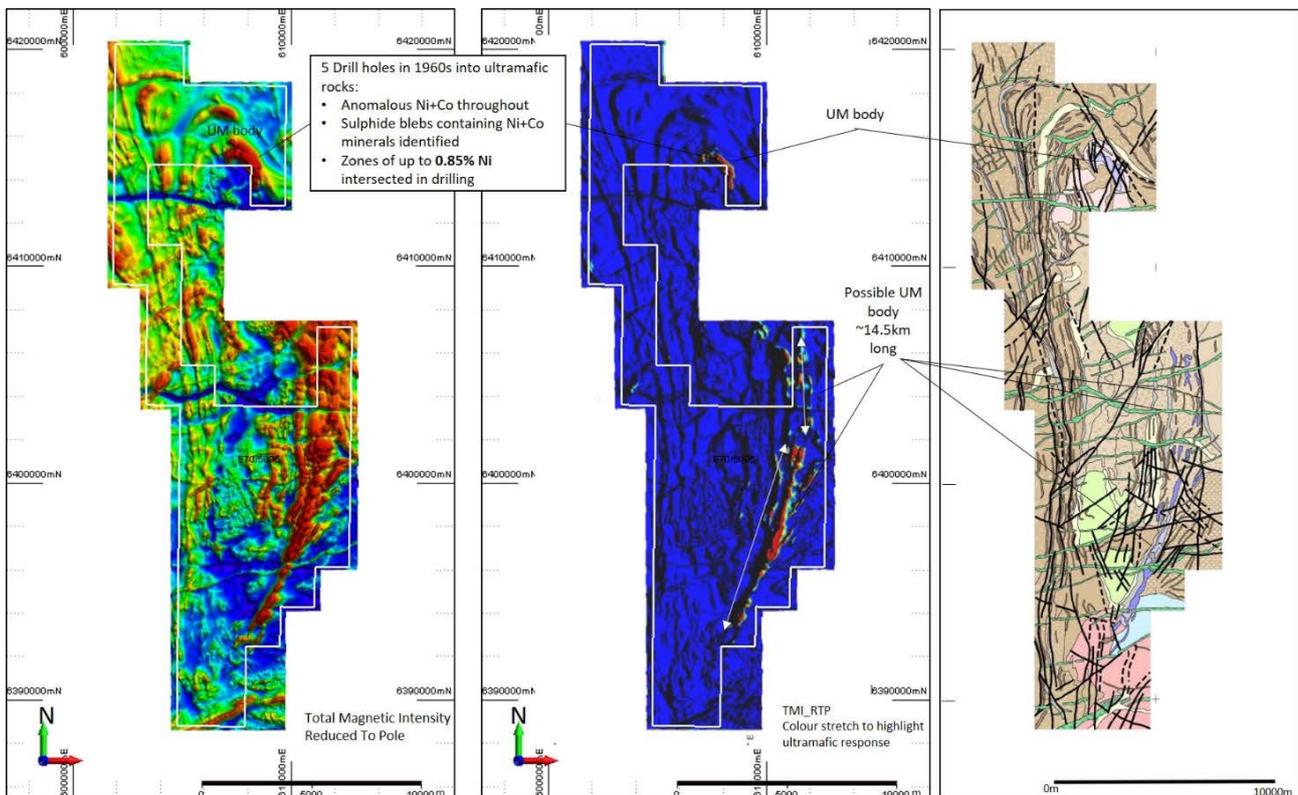


Figure 2: Results of the recent airborne magnetic survey at Kulin Hill showing the position of known and interpreted, ultramafic bodies. The image on the left is total magnetic intensity, reduced to pole, the centre image shows the same data but with a colour stretch applied to highlight the ultramafic response. The image on the right shows the detailed geological interpretation at the same scale.

**Lake Grace** – The geology evident in the Kulin Hill survey area extends southwards through the Lake Grace tenements. A further 9.5km zone of probable ultramafic rocks was identified in the central-east portion of the survey area (Figure 3)<sup>3</sup>.

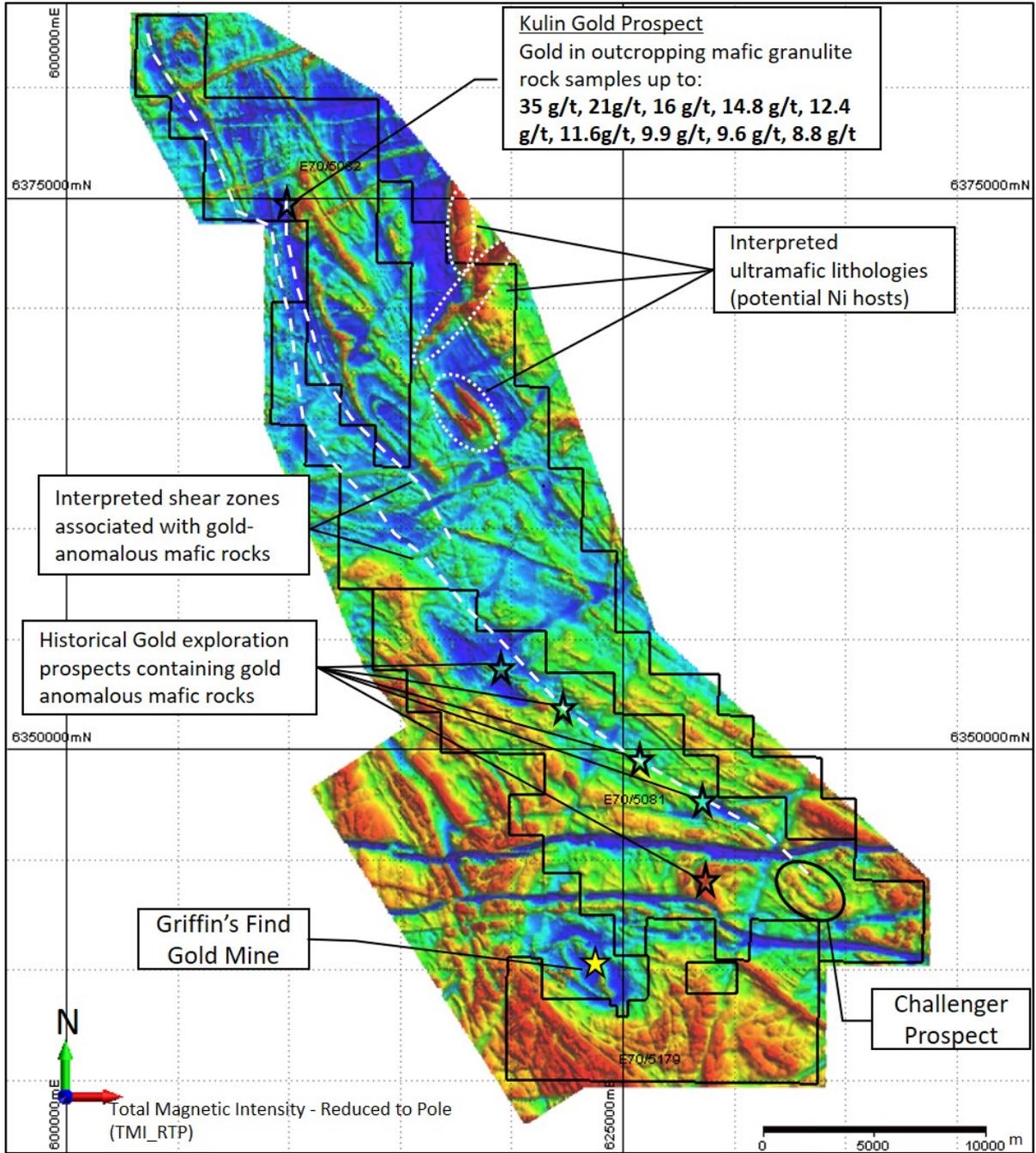


Figure 3: Regional magnetic image of Sultan's Lake Grace portfolio. Note the interpreted occurrences of folded ultramafic sequences in the centre-east portion of the survey. The Challenger Prospect, located in the southeast, marks the start of a northwest-trending zone of gold-anomalous mafic rocks associated with major NW-trending features interpreted to indicated major shearing. The evidently strongly folded stratigraphy at the Kulin Gold Prospect is coincident of historic surface samples of high-grade gold.

### Future Work Program

Sultan is reviewing all data relating to potential nickel-copper occurrences on their Lake Grace portfolio. Planning is underway for work programs that are likely to include mapping, geochemical sampling and EM surveys at identified nickel targets. Land access negotiations are ongoing across the Lake Grace portfolio.

*This announcement is authorised by Steve Groves, Sultan Resource Managing Director*



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**Competent Persons Statement**

The information in this report that relates to Exploration Targets and Exploration Results is based on historical 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. 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.

**About Sultan Resources**

Sultan Resources is an Australian focused exploration company with a portfolio of quality assets in emerging discovery terranes currently targeted by successful explorers such as Newcrest Mining, Alkane Resources, Gold Road Resources, and Sandfire Resources. Sultan's tenement portfolio includes prospective targets for porphyry Au-Cu, structurally-hosted gold, Nickel, Cobalt and base metals and include tenements located in the highly prospective east Lachlan Fold Belt of Central NSW as well as projects 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.

**References**

1. Summers, K.W.A., 1969, Final Report, Corrigin Project, WA. Electrolytic Zinc Company of Australasia Limited, WAMEX Report A7659
2. Bisset, A. 2019., Kulin Hill Survey: Western Australia - Airborne Magnetic and Radiometric Survey. Sultan Resources internal Company Report
3. Bisset, A. 2019., Lake Grace Survey: Western Australia - Airborne Magnetic and Radiometric Survey. Sultan Resources internal Company Report

Note: No exploration data or results are included in this document that have not previously been released publicly. All data or results have been referenced in the text.