



SULTAN
RESOURCES

20th November 2020

OUTCROPPING ULTRAMAFIC ROCKS IDENTIFIED AT LAKE GRACE DURING EXPLORATION FOR JULIMAR-STYLE NICKEL-SULPHIDE TARGETS

- **Sultan has confirmed the presence of ultramafic rocks at Lake Grace**
 - **The project forms part of interpreted mobile zone that hosts the recent Julimar Ni-Cu-PGE discovery**
- **A number of rock samples have been submitted for assay**
- **Historic exploration at Lake Grace has shown ultramafic rocks with evidence of nickel and cobalt bearing sulfides in drilling**
- **Strong geophysical evidence for >25km of cumulative strike length of ultramafic rocks across Sultan's Lake Grace portfolio**
- **Lake Grace portfolio surrounded by major mining and exploration companies:**
 - **Anglo American to north and west**
 - **Gold Road Resources to east**

Sultan Resources Limited (ASX: SLZ) (**Sultan or Company**) is pleased to announce that the first phase of reconnaissance exploration for nickel-prospective ultramafic rocks at identified magnetic anomalies within the Lake Grace prospect has revealed outcropping ultramafic rocktypes. The Ni-prospectivity of the Company's Lake Grace tenement portfolio has long been recognised by the company (see ASX Announcement 20/07/2020) and has recently been verified by the discovery of Chalice Gold Mines' Julimar Ni-Cu-PGE deposit 215km to the northwest in the same belt of rocks (see Chalice ASX announcement of 23/03/2020). In recent months, there has been a rush to secure ground in the Southwest Yilgarn Terrane by major companies such as Anglo American plc.

Sultan owns a 690km² portfolio that is highly prospective for gold mineralisation and also contains historically drilled ultramafic rocks with evidence of nickel and cobalt bearing sulfides¹. 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 (Figures 4 & 5).

Sultan Resources Ltd

ACN: 623652 522

CORPORATE DETAILS

ASX Code: SLZ

DIRECTORS

STEVEN GROVES
MANAGING DIRECTOR

JEREMY KING
CHAIRMAN

DAVID LEES
NON-EXECUTIVE DIRECTOR

CONTACT

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

info@sultanresources.com.au

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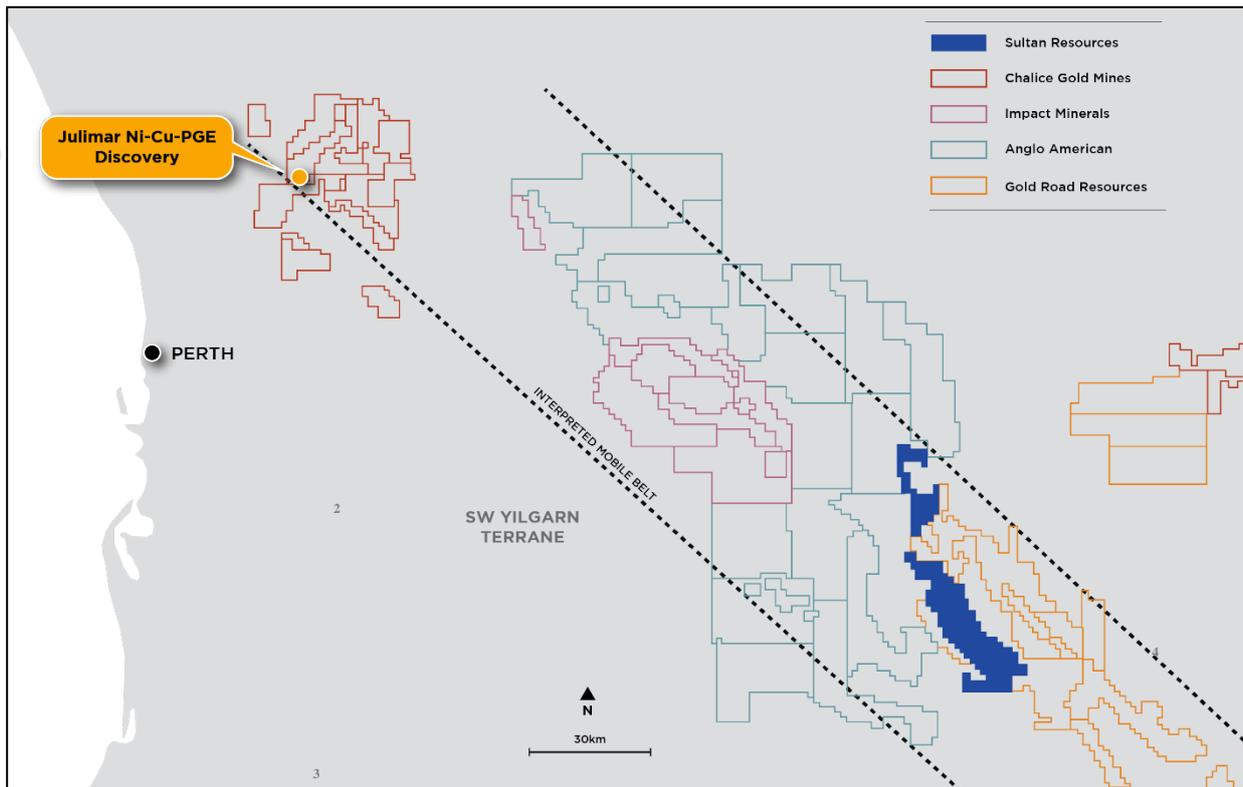


Figure 1: Sultan's Lake Grace portfolio of tenements in relation to the recent applications by Anglo American (blue outline), Impact Minerals (maroon outline) and the Gold Road Resources/Cygnus Gold JV (orange outline). All of Sultan's tenure lies within an interpreted mobile zone prospective for Ni-Cu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

Exploration Progress

Ground reconnaissance exploration has progressed across EL70/5095 to verify if magnetic anomalies identified in aeromagnetic surveys represent ultramafic rocks with potential to be associated with nickel sulphide mineralisation. The tenement is almost entirely covered by cleared farmland with prominent granite hills outcropping in the south. There are several salt lakes within the northern section of the tenement with very little outcrop except for one area which is the historic site of the only drilling undertaken on the tenement. These holes intersected thick ultramafics with intervals containing disseminated nickel sulphides¹.

Ground inspection of the outcrop in this area has confirmed the presence of outcropping ultramafic, mafic rocks and silcrete/metasediments (Figures 2 & 3). Exploration in 1969 by the Electrolytic Zinc Company of Australia¹ revealed strongly anomalous nickel (Ni), with lower copper (Cu) and cobalt (Co) in this area and the 4 diamond drill holes completed intersected cherty serpentinite and ultramafic rocks such as dunites, harzburgites, norites and pyroxenites, all of which were strongly serpentinitised. These rocks were reported to contain abundant magnetite and finely disseminated sulphides containing 50% Nickel in the sulphide grains although no assays results can be found for these intervals. Rock chip samples were collected by Sultan from the locations of sub-outcropping rocks and have been submitted to the laboratory.



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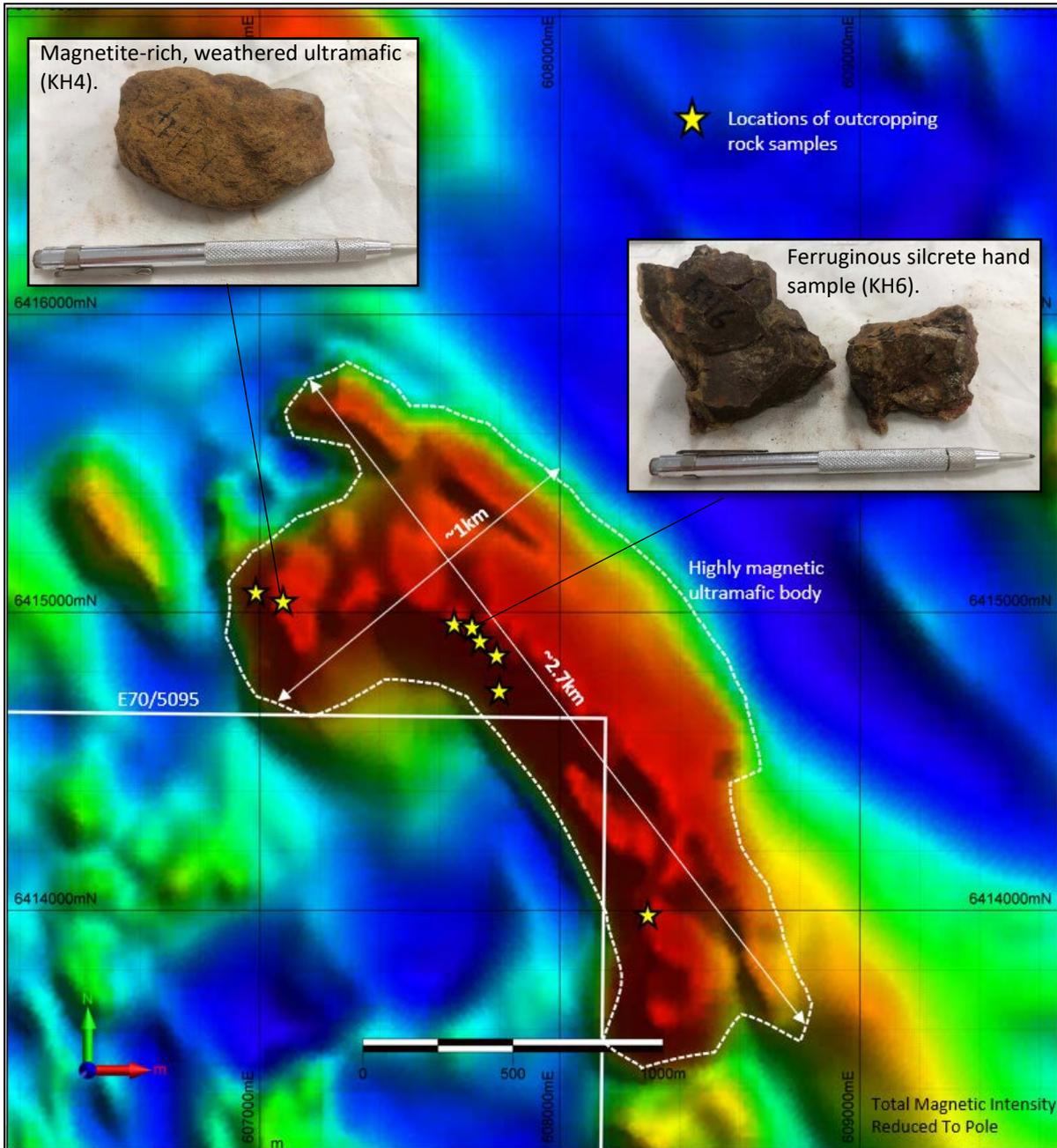


Figure 2: Close up view of the 2.7km x 1km interpreted ultramafic body indicated by Sultan's airborne magnetic survey. The body has been subject to historic drilling¹ where nickel-bearing sulphides were identified and recent mapping by Sultan has confirmed outcropping ultramafic material (indicated by photo insets)

The work program is continuing in the south eastern portion of EL70/5095 where an area of prominent magnetic response indicates the presence of further ultramafics. Reconnaissance work in this area has revealed no outcrop and the next stage of evaluation will include geochemical sampling (soils or auger) in paddocks once the crop harvest is completed and access agreements with landowners are finalised. Bodies of verified ultramafics will also be subject to Electro-Magnetic (EM) surveys to locate any buried conductive bodies.

Another area of intense magnetic response exists further to the south on EL70/5085 and will also be investigated as part of the ongoing program (Figure 5).



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Figure 3: Ferruginous silcrete outcropping on the edge of the salt lake at sample site KH6.

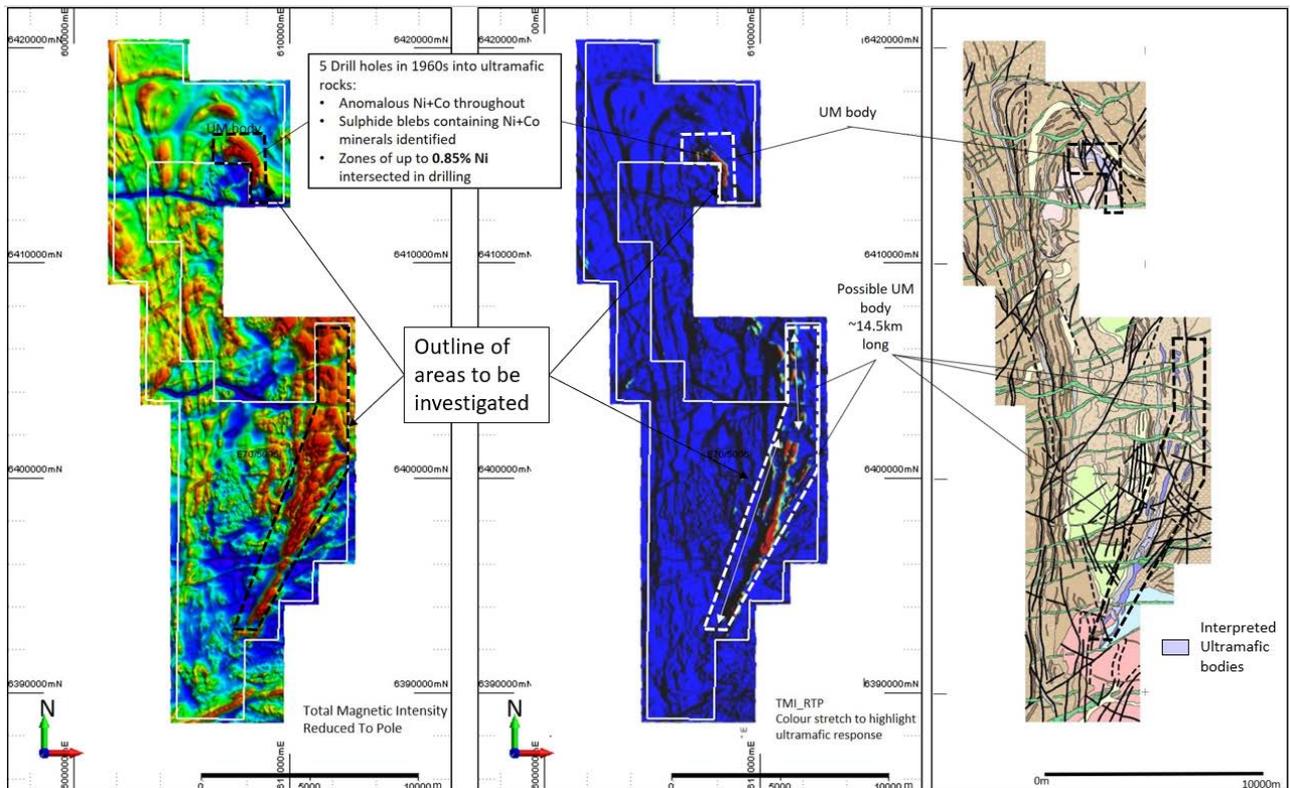


Figure 4: Results of Sultan's airborne magnetic survey at Kulin Hill showing the position of known and interpreted, ultramafic bodies. The image on the left is total magnetic intensity, reduced to pole, the centre image shows the same data but with a colour stretch applied to highlight the ultramafic response. The image on the right shows the detailed geological interpretation at the same scale. Areas for follow-up ground investigation are marked by the dashed polygons.

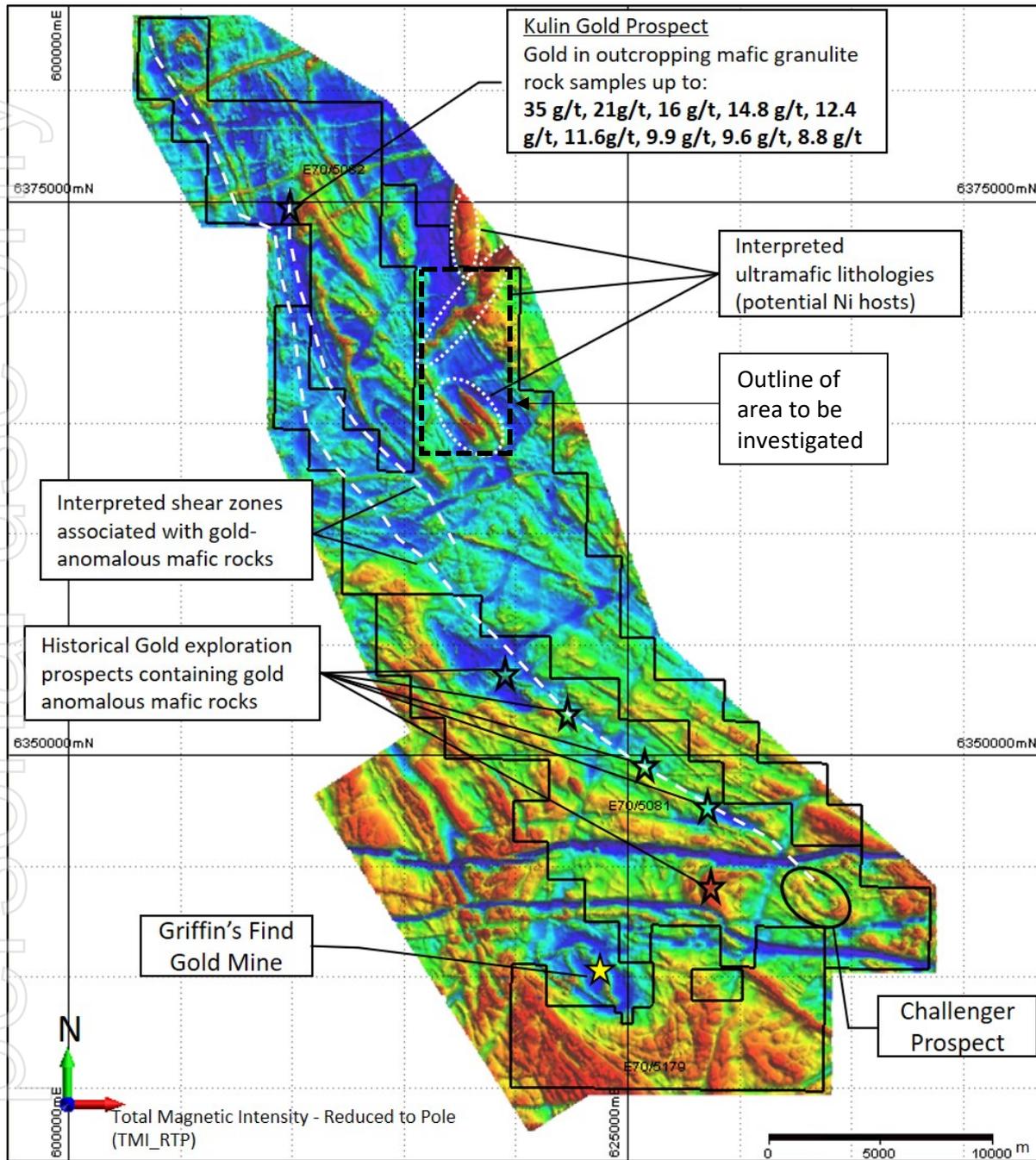


Figure 5: Regional magnetic image of Sultan's Lake Grace portfolio. Note the interpreted occurrences of folded ultramafic sequences in the centre-east portion of the survey. Areas for follow-up ground investigation are marked by the dashed polygons.

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

For further information contact:
Managing Director
Steve Groves
info@sultanresources.com.au



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.

Disclaimer

In relying on the above mentioned ASX announcements and pursuant to ASX Listing Rule 5.23.2, the Company confirms that it is not aware of any new information or data that materially affects the information included in the above-mentioned announcements.

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.