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SULTAN
R E S O U R C E S

SULTAN RESOURCES LIMITED

ABN 35 623 652 522

HALF-YEAR FINANCIAL REPORT

31 DECEMBER 2020

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CORPORATE DIRECTORY

Board of Directors

Steven Groves	(Managing Director)
David Lees	(Non-Executive Director)
Jeremy King	(Non-Executive Director)

Secretary

Mr Mauro Piccini

Registered Office

Suite 2, Level 1
1 Altona Street
West Perth WA 6005

Telephone: 08 6559 1792
Website: <https://www.sultanresources.com.au/>

Securities Exchange Listing

Listed on the Australian Securities Exchange (ASX Code: SLZ)

Auditors

RSM Australia Partners
Level 32, Exchange Tower
2 The Esplanade
Perth WA 6000

Solicitors

Nova Legal
2/50 Kings Park Road
West Perth WA 6005

Bankers

Westpac Banking Corporation
Level 13, 109 St Georges Terrace
Perth WA 6000

Share Registry

Automic Share Registry
Level 2, 267 St Georges Terrace
Perth WA 6000

Telephone: 1300 288 664

DIRECTORS' REPORT

The Directors of Sultan Resources Limited ("SLZ" or "the Company") present their report, together with the financial statements on the Company consisting of Sultan Resources Limited and its controlled entities ("the Group") for the half-year ended 31 December 2020 ("the Period").

It is recommended that the Directors' Report be read in conjunction with the annual financial statements for the year ended 30 June 2020 and considered together with any public announcement made by the Company during the Period and up to the date of this report.

DIRECTORS

The names of the Company's Directors who held office during the Period and until the date of this report are set out below. Directors were in office for this entire Period unless otherwise stated.

Director	Position
Steven Groves	(Managing Director)
David Lees	(Non-Executive Director)
Jeremy King	(Non-Executive Director)

REVIEW OF OPERATIONS

PROJECTS

LACHLAN FOLD BELT PROJECT

During the period, ground exploration field work continued across the Big Hill and Ringaroo Porphyry Cu-Au targets (EL8735) and the Tucklan epithermal prospect (EL8734). This work included the collection of rock chip samples, comprehensive soil sampling grids, magnetic data reprocessing and the commencement of Induced Polarisation surveys.

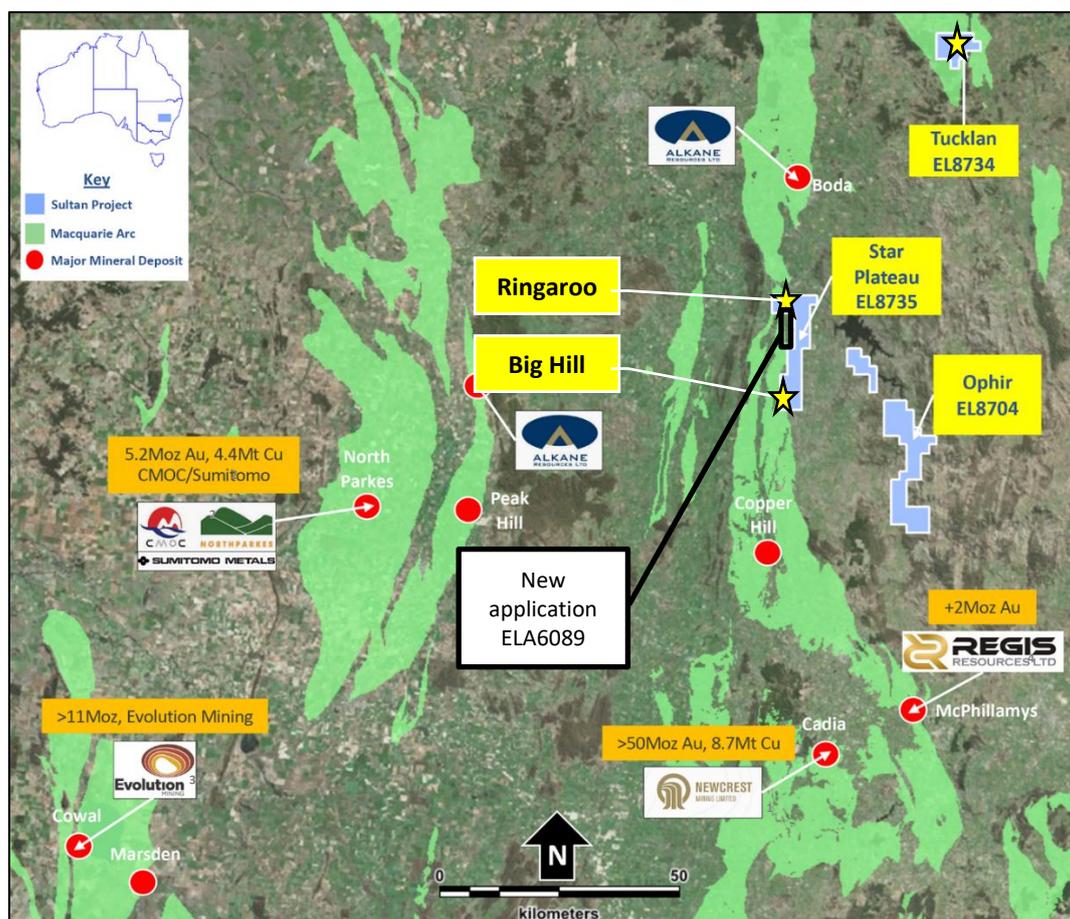


Figure 1: Sultan tenements in relation to World Class operating mines of the East Lachlan Fold Belt, and the recent Boda discovery

DIRECTORS' REPORT

Ringaroo and Big Hill

Ringaroo Soil Sampling

In early July, the Company received results from the first program of soil sampling undertaken across the Ringaroo Project within the Company's Star Plateau Licence (EL8735) (see SLZ ASX announcement 09/07/2020). Soil sampling initially targeted a prominent N-S trending magnetic feature that is interpreted to represent a Macquarie Arc intrusive complex similar to that which hosts Alkane Resources' (ASX:ALK) Boda porphyry Au-Cu discovery some 25km to the north. (see ALK ASX Announcement 23/03/2020). The magnetic high is at least 4.2km x 1.5km in size and hosts Impact Minerals' (ASX:IPT) recent Aspley discovery which lies 3km north of the sampled portion of Ringaroo and just over the EL8735 boundary. At Aspley, Impact have identified shoshonitic host rocks that have returned elevated copper to 8.1% and silver to 13.1g/t from surface rock samples (see IPT ASX Announcements 14/01/2020, 23/04/2020).

Soil sampling was undertaken across a 200m x 200m grid covering a ~3km² portion of Ringaroo and defined multiple anomalies including a prominent N-S trending 1.0km x 0.40km, gold and copper soil geochemical anomaly showing gold values consistently greater than 3.1ppb Au and copper values above 94ppm Cu (Figure 2). A second anomalous zone located 1km to the south east shows a narrow NE-trending anomaly with gold values greater than 4.5ppb Au and coincident copper above 94ppm Cu. Both anomalies are open in multiple directions and will be further defined as the soil sampling program expands.

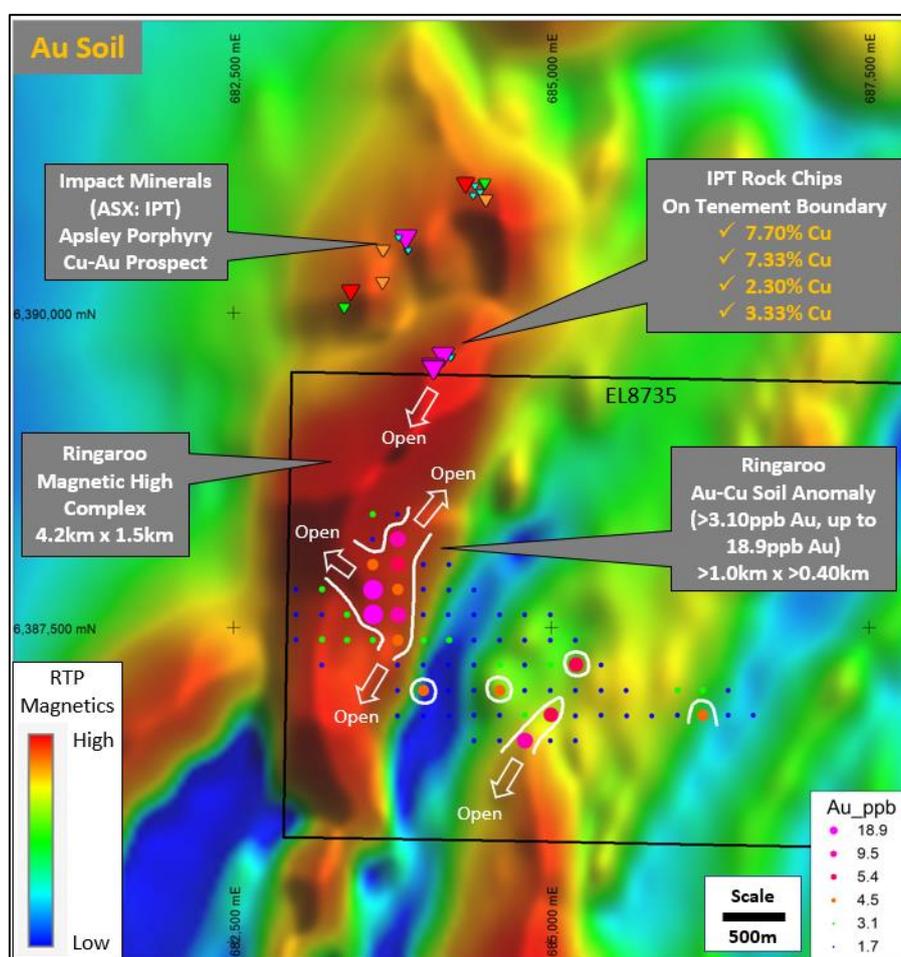


Figure 2: Ringaroo gold soil anomaly map (200m X 200m Sample Grid) on RTP Aeromagnetic Image.

Ringaroo Induced Polarisation

During September 2020, Fender Geophysics completed 2 north-south lines and 1 east-west line of dipole-dipole IP surveying across the Ringaroo magnetic high feature that is coincident with a large-scale gold and copper soil geochemical anomaly (Figure 3, see ASX Announcement 09/07/2020). All results were processed and modelled during the December quarter to show a highly encouraging chargeability and resistivity response coincident with the previously identified anomalous areas (see ASX Announcement 10/11/2020).

DIRECTORS' REPORT

Inversion modelling of the IP data has defined a west dipping 650m x 200m wide IP high chargeability anomaly (>9mV/V, up to 30mV/V) which overlies a strong IP high resistivity (>1000 Ohm.m) anomaly. The IP results have enhanced the Ringaroo target potential to host porphyry Au-Cu mineralisation. A strong magnetic feature overlain with anomalous Au and Cu soil response and coincident IP chargeability highs is a compelling recipe for porphyry occurrence. Field mapping has noted alteration styles reminiscent of that associated with porphyries and rock sampling of the magnetic feature a short distance to the North by Impact Minerals has uncovered high copper grades at surface (see ASX Announcements 14/01/2020 and 23/04/2020). Further exploration, including rock and soil sampling is continuing at Ringaroo with a view to designing drill programs to test for porphyry Au-Cu mineralisation.

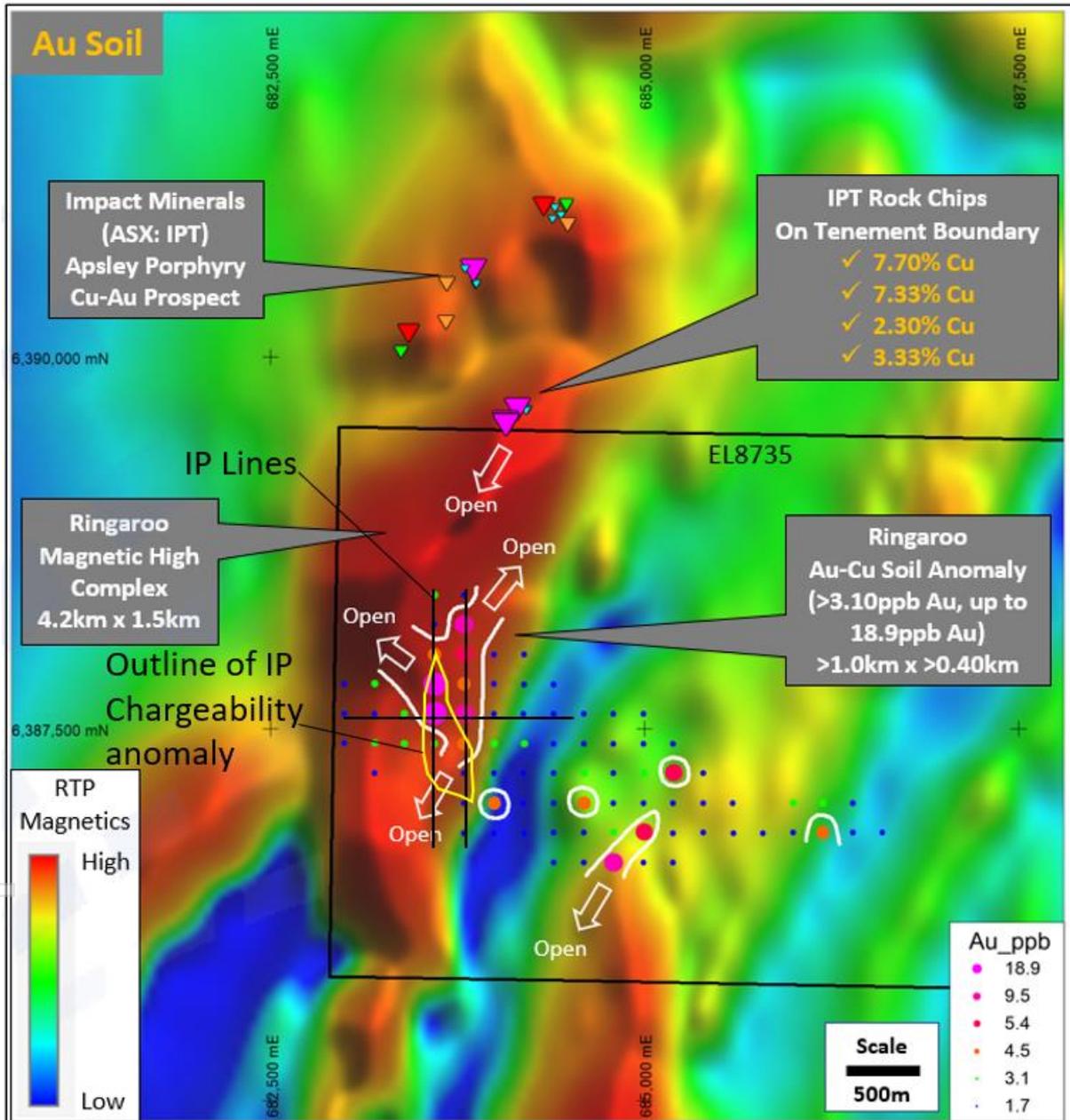


Figure 3: Location of surveyed IP sections (black lines) over the progressive Half Ranked Variable Gold Soil Map (100m X 100m Sample Grid) on RTP magnetic image. The outline of the IP chargeability anomaly is marked in yellow. Impact Mineral's rock sample results are from ASX Announcements on 14/01/2020 and 23/04/2020)

Big Hill Soil Sampling

Geological mapping, soil and rock chip sampling also continued to the east and southeast of the Big Hill target during the period. Covering an area of ~3km x 1km, the work defined two large scale, open, high-order Au and Cu in soil anomalies. The first, Razorback Ridge, is a 0.5km x 0.2km Cu-Au area that encompasses a prominent zone of outcropping copper and gold mineralisation southeast of Big Hill. The second is a 2.2km x 0.5km zone of highly anomalous Au and Cu that is situated to the east of Big Hill.

DIRECTORS' REPORT

Big Hill Induced Polarisation

Fender Geophysics mobilised a crew to continue with the IP program at the Big Hill and Gowans Green targets early in 2021. Big Hill and Gowans Green are located in EL8735 and present as exceptional porphyry and skarn Au-Cu targets. The IP survey comprises four N-S lines each of 4.6km in length. The program is designed to locate deep drill targets indicative of potential porphyry mineralisation and will guide the planning of drill holes to be undertaken during the 1st half of 2021.

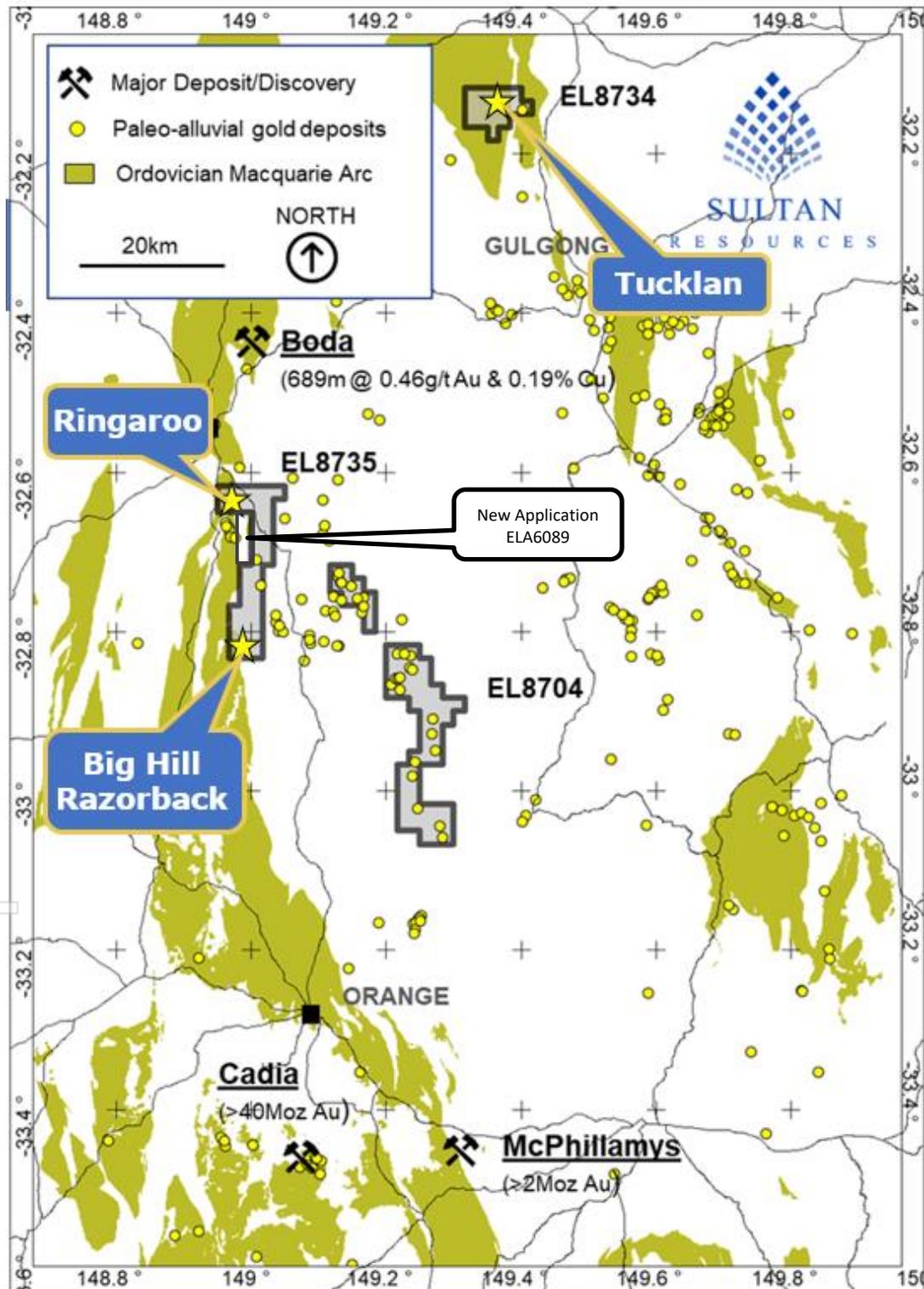


Figure 4: Location Map – Sultan Tenements over the prospective Macquarie Arc sequence with priority targets indicated.

DIRECTORS' REPORT

Tucklan

Tucklan – Induced Polarisation Survey

During September 2020, Fender Geophysics completed 7 north-south lines of dipole-dipole IP surveying across previously identified gold and copper soil anomalism and outcropping epithermal-style gold mineralised rock at Tucklan (see ASX Announcement 02/06/2020). The results were processed and modelled in October and showed an exceptional chargeability and resistivity response coincident with the previously identified anomalous areas and outcropping mineralisation. Inversion modelling of the IP data has defined a large north west to south east trending, 1.6km x .6km wide IP chargeability anomaly (>9mV/V, up to 20mV/V, Figure 5) which contains multiple bullseye-style higher order anomalies (>30mV/V). The chargeability model is also coincident with strong IP resistivity anomalies (>1000 Ohm.m) and the models are consistent with the type of IP response often associated with structurally controlled epithermal mineralisation seen elsewhere in similar geological settings.

Tucklan - Drilling

During December 2020, Sultan commenced drill-testing the IP anomalies beneath the strong gold and copper surface geochemistry at Tucklan (see ASX Announcement 07/12/2020). The Company embarked on a series of five deep Reverse Circulation drill holes, with a provision for up to a further 7 to test the source of the strongest IP anomalies if results warrant.

Due to excess water at depth, drilling conditions at Tucklan proved to be challenging for the RC rig and as foreshadowed, the Company deployed diamond drilling to complete two tails into the strongest of the IP anomalies. Sultan plans to await assay results from the entire RC and two diamond tails before deciding on which of the 7 additional holes to complete.

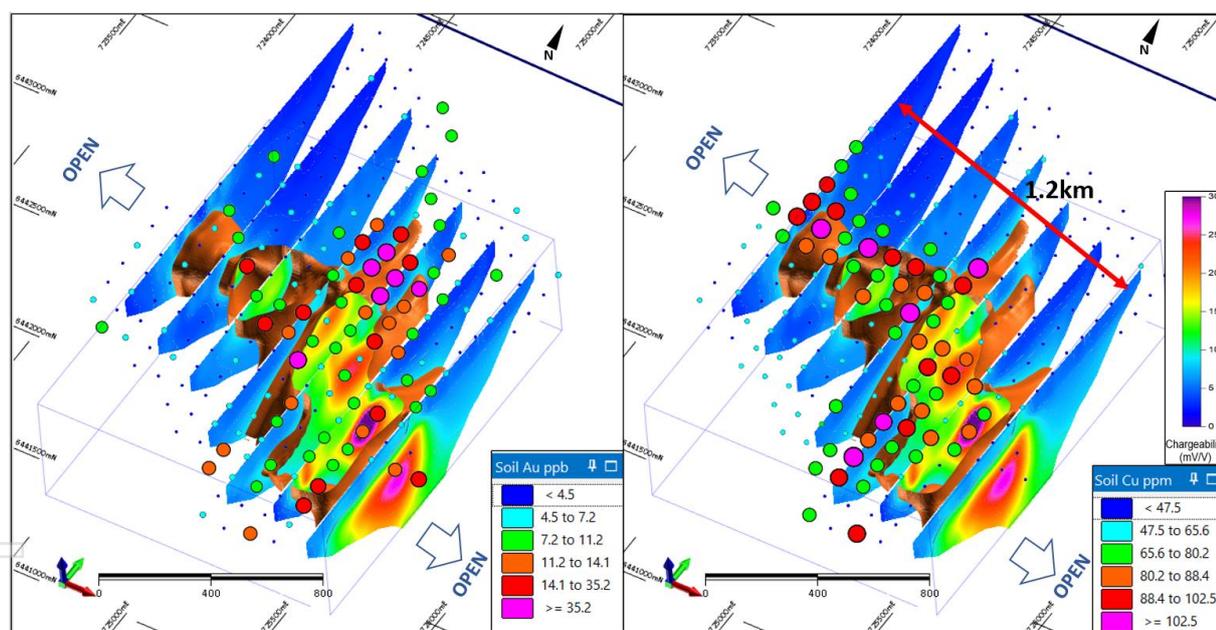


Figure 5: Oblique, stacked 3D IP Chargeability sections with 15 mV/V isosurface (brown) and Au (left) and Cu (right) in soils results. The greater IP chargeability anomaly (>9mV/V, up to >30mV/V) is up to 1.6km long x 0.6km wide, coincident soil anomaly and open both ends.

WA PROJECTS

Lake Grace

During the period, the Company commenced reconnaissance exploration for nickel-prospective ultramafic rocks at identified magnetic anomalies within the Lake Grace prospect (see ASX Announcements 20/07/2020, 28/09/2020). 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 (Figure 6).

DIRECTORS' REPORT

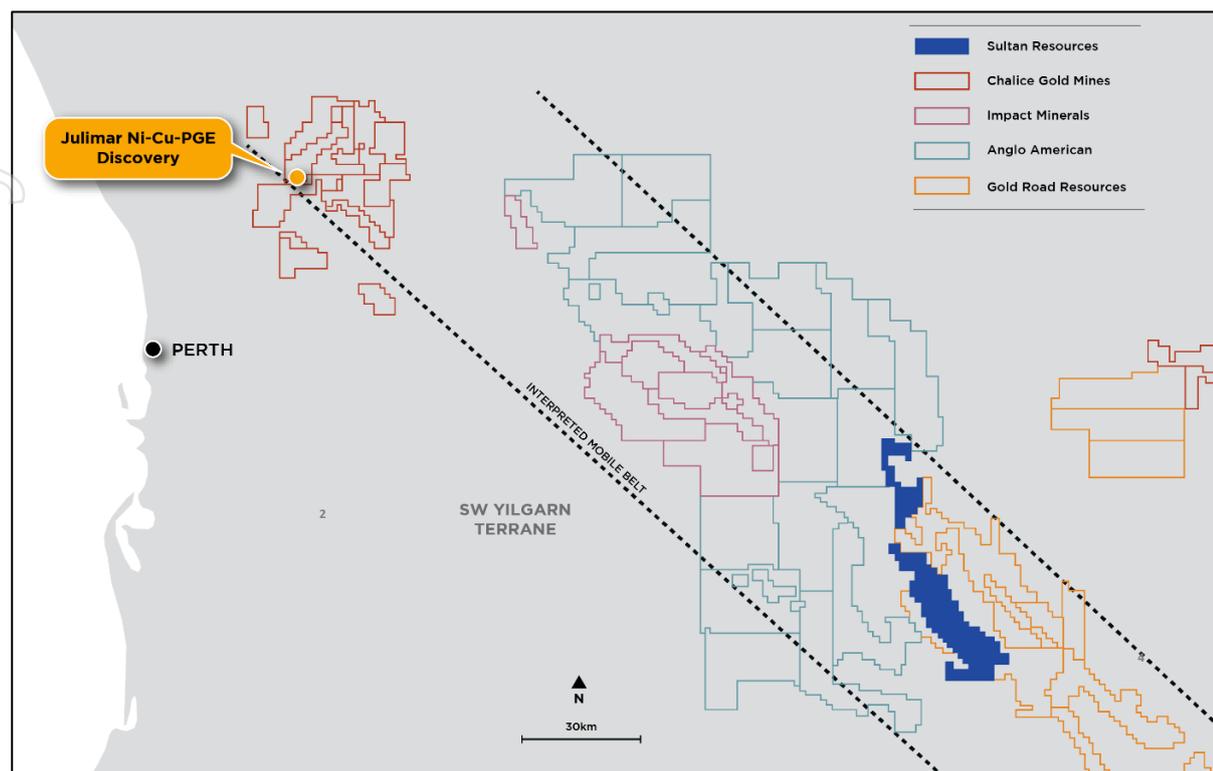


Figure 6: Sultan's Lake Grace portfolio of tenements in relation to the recent applications by Anglo American (white outline), Impact Minerals (pink outline) and the Gold Road Resources/Cygnus Gold JV (beige outline). All of Sultan's tenure lies within an interpreted mobile zone prospective for Ni-Cu mineralisation as postulated by Impact Minerals Ltd (see Impact Minerals announcement dated 10/06/2020)

Ground reconnaissance exploration has progressed during the period 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 sulphides.

Ground inspection of the outcrop in this area has confirmed the presence of outcropping ultramafic, mafic rocks and silcrete/metasediments. Exploration in 1969 by the Electrolytic Zinc Company of Australia 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 serpentinised. 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.

The work program is continuing in the southeastern 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 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.

OTHER PROJECTS

Thaduna

Follow up exploration of the recent gold and base-metal aircore anomalies defined late in 2018 are planned for the 2021 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.

DIRECTORS' REPORT

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.

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.

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.

CORPORATE

The Company raised \$2.4 million (before costs) on 28 October 2020, through the placement of 10,909,091 shares at \$0.22 per share to sophisticated and institutional investors.

The operating loss for the half-year ended 31 December 2020 was \$479,620 (31 December 2019: \$262,632).

EVENTS OCCURRING AFTER REPORTING DATE

The outbreak of the COVID-19 pandemic is impacting global economic markets. The Directors continue to monitor the situation closely and have considered the impact of COVID-19 on the Group's business and financial performance. However, the situation is continually evolving and the consequences are therefore inevitably uncertain.

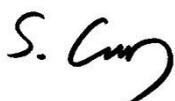
There has been no other matter or circumstance which has arisen since the end of the half-year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial periods.

AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's Independence Declaration under section 307C of the Corporations Act 2001 is included within this financial report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Steven Groves
Managing Director

Perth, Western Australia
Dated 11 March 2021

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GPO Box R1253 Perth WA 6844

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Sultan Resources Limited for the half-year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.



RSM AUSTRALIA PARTNERS



TUTU PHONG
Partner

Perth, WA
Dated: 11 March 2021

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Consolidated Statement of Profit or Loss and Other Comprehensive Income For the half-year ended 31 December 2020

		31-Dec-20 \$	31-Dec-19 \$
Revenue from continuing operations			
Other income		13,670	18,593
Administrative expenses and corporate expenses	3a	(125,189)	(113,316)
Compliance and regulatory expenses		(47,688)	(23,285)
Consulting and legal fees	3b	(84,135)	(73,904)
Directors fees		(43,067)	(64,576)
Other expenses		(6,747)	(1,089)
Exploration expenses		(774)	(5,055)
Share based payment expense	4	(185,690)	-
Loss before income tax expense		(479,620)	(262,632)
Income tax expense		-	-
Loss after income tax for the period		(479,620)	(262,632)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>		-	-
Total comprehensive loss for the period, net of tax		(479,620)	(262,632)
Total comprehensive loss for the period attributable to members of Sultan Resources Limited			
		(479,620)	(262,632)
Loss per share for the period attributable to the members of Sultan Resources Limited			
Basic and diluted loss per share (cents)	8	(0.77)	(0.55)

The Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Financial Position As at 31 December 2020

	Notes	31-Dec-20 \$	30-June-20 \$
ASSETS			
Current Assets			
Cash and cash equivalents		3,152,235	2,005,595
Trade and other receivables		190,925	132,145
Total Current Assets		3,343,160	2,137,740
Non-Current Assets			
Exploration and evaluation	5	3,895,356	3,151,333
Total Non-Current Assets		3,895,356	3,151,333
TOTAL ASSETS		7,238,516	5,289,073
LIABILITIES			
Current Liabilities			
Trade and other payables		244,389	217,475
Provisions		12,842	12,383
Total Current Liabilities		257,231	229,858
TOTAL LIABILITIES		257,231	229,858
NET ASSETS		6,981,285	5,059,215
EQUITY			
Contributed equity	6	8,279,979	6,063,979
Reserves	7	1,060,301	874,611
Accumulated losses		(2,358,995)	(1,879,375)
TOTAL EQUITY		6,981,285	5,059,215

The Consolidated Statement of Financial Position should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Changes in Equity For the half-year ended 31 December 2020

	Issued Capital \$	Option Reserve \$	Accumulated Losses \$	Total \$
At 1 July 2020	6,063,979	874,611	(1,879,375)	5,059,215
Loss for the period	-	-	(479,620)	(479,620)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period after tax	-	-	(479,620)	(479,620)
Transactions with owners in their capacity as owners:				
Issue of share capital	2,400,000	-	-	2,400,000
Share issue costs	(184,000)	-	-	(184,000)
Share-based payments	-	185,690	-	185,690
Balance at 31 December 2020	8,279,979	1,060,301	(2,358,995)	6,981,285
At 1 July 2019	4,358,979	874,611	(1,023,921)	4,209,669
Loss for the period	-	-	(262,632)	(262,632)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period after tax	-	-	(262,632)	(262,632)
Transactions with owners in their capacity as owners:				
Issue of share capital	-	-	-	-
Share issue costs	-	-	-	-
Balance at 31 December 2019	4,358,979	874,611	(1,286,553)	3,947,037

The Consolidated Statement of Changes in Equity should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Cash Flows For the half-year ended 31 December 2020

	31-Dec-20	31-Dec-19
Cash flows from operating activities		
Payments to suppliers and employees	(339,007)	(264,465)
Receipts from government subsidies	10,000	-
Interest received	3,670	18,593
Net cash used in operating activities	(325,337)	(245,872)
Cash flows from investing activities		
Payments for exploration and evaluation expenditure	(744,023)	(107,685)
Net cash used in investing activities	(744,023)	(107,685)
Cash flows from financing activities		
Proceeds from issued shares	2,400,000	-
Share issue costs	(184,000)	-
Net cash provided by financing activities	2,216,000	-
Net increase/(decrease) in cash and cash equivalents	1,146,640	(353,557)
Cash and cash equivalents at beginning of the period	2,005,595	3,064,472
Cash and cash equivalents at end of the period	3,152,235	2,710,915

The Consolidated Statement of Cash Flows should be read in conjunction with the notes to the financial statements.

Notes to the Consolidated Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

These general purpose interim financial statements for half-year reporting period ended 31 December 2020 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2020 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The financial statements are presented in Australian dollars, which is Sultan Resources Limited's functional and presentation currency.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the policies stated below.

(b) Significant accounting judgements and key estimates

The preparation of the interim financial report requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim financial report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial report for the year ended 30 June 2020.

New and amended Accounting Standards that are effective for the current period

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

NOTE 2 SEGMENT INFORMATION

The Group operates only in one reportable segment being predominantly in the area of mineral exploration in Australia. The Board of Directors considers its business operations in gold mineral exploration to be its primary reporting function. Results are analysed as a whole by the chief operating decision maker, this being the Board of Directors. Consequently, other income, loss, net assets and total assets for the operating segment are reflected in this financial report.

Notes to the Consolidated Financial Statements

NOTE 3 EXPENSES

	31-Dec-20	31-Dec-19
	\$	\$
a) Administration expenses		
Accounting, audit and company secretarial fees	59,450	80,055
General and administration expenses	5,250	7,681
Marketing expenses	60,489	25,580
	125,189	113,316
b) Consulting and legal expenses		
Consulting fees	79,800	72,000
Legal fees	4,335	1,904
	84,135	73,904

NOTE 4 SHARE-BASED PAYMENTS

On 10 December 2020, shareholder approval was received for the issue of 1,800,000 options to directors. The options have an exercise price of \$0.33 and an expiry date of 18 December 2022. The fair value of the options was \$0.1032 per option. A Black-Scholes model with share price at grant date of \$0.235, risk-free rate of 0.09% and volatility of 100% were used to fair value the option.

	31-Dec-20	31-Dec-19
	\$	\$
Director options	185,690	-
	185,690	-

NOTE 5 EXPLORATION AND EVALUATION

	31-Dec-20	30-Jun-20
	\$	\$
Opening balance	3,151,333	1,184,751
Tenements acquisition costs incurred during the period	-	1,617,639 ⁽ⁱ⁾
Exploration and evaluation expenditure incurred during the period	744,023	348,943
	3,895,356	3,151,333

- (i) Issue of 10,000,000 fully paid ordinary shares in the Company with a fair value of \$1,550,000 and payment of \$100,000 cash to vendors as part of the consideration to acquire the tenements held in Colossus Metals Pty Ltd less the net assets acquired in Colossus Metals on acquisition.

Notes to the Consolidated Financial Statements

NOTE 6 CONTRIBUTED EQUITY

	31-Dec-20		30-Jun-20	
	No.	\$	No.	\$
Fully paid ordinary shares	69,534,389	8,279,979	58,625,300	6,063,979
<i>Movement in ordinary shares</i>				
Balance at 1 July 2020	58,625,300	6,063,979		
Share placement	10,909,089	2,400,000		
Share issue costs	-	(184,000)		
Balance at 31 December 2020	69,534,389	8,279,979		
Balance at 1 July 2019	47,625,300	4,358,979		
Consideration for Colossus Metals Pty Ltd	10,000,000	1,550,000		
Facilitation shares	1,000,000	155,000		
Balance at 30 June 2020	58,625,300	6,063,979		

NOTE 7 RESERVES

	31-Dec-20	30-Jun-20
	\$	\$
Options reserve	1,060,301	874,611
<i>Movement in reserves</i>		
Opening balance	874,611	874,611
Options to directors (Note 4)	185,690	-
Closing balance	1,060,301	874,611

NOTE 8 EARNINGS PER SHARE

	31-Dec-20	31-Dec-19
	\$	\$
Loss after income tax attributable to owners of Sultan Resources Limited	(479,620)	(262,632)
Weighted average number of ordinary shares used in calculated basic earnings per share	62,123,323	47,625,300
Basic earnings per share	(0.77)	(0.55)

Notes to the Consolidated Financial Statements

NOTE 9 DIVIDENDS

No dividend has been declared or paid during the half-year ended 31 December 2020. The Directors do not recommend the payment of a dividend in respect of the half-year ended 31 December 2020.

NOTE 10 CONTINGENT LIABILITIES & ASSETS

There has been no change to the contingent liabilities and assets since 30 June 2020.

NOTE 11 EVENTS SUBSEQUENT TO THE REPORTING PERIOD

The outbreak of the COVID-19 pandemic is impacting global economic markets. The Directors continue to monitor the situation closely and have considered the impact of COVID-19 on the Group's business and financial performance. However, the situation is continually evolving and the consequences are therefore inevitably uncertain.

There has been no other matter or circumstance which has arisen since the end of the half-year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial periods.

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DIRECTORS' DECLARATION

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2020 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Steven Groves
Managing Director
11 March 2021

RSM Australia Partners

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**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
SULTAN RESOURCES LIMITED****Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of Sultan Resources Limited which comprises the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2020 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Sultan Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Sultan Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Sultan Resources Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

RSM

RSM AUSTRALIA PARTNERS



TUTU PHONG
Partner

Perth, WA
Dated: 11 March 2021

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