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SULTAN
RESOURCES

ASX ANNOUNCEMENT

30 October 2020

Sultan Resources
ACN: 623 652 522

CORPORATE DETAILS

ASX Code: SLZ

DIRECTORS

STEVE GROVES
MANAGING DIRECTOR

JEREMY KING
CHAIRMAN

DAVID LEES
NON-EXECUTIVE DIRECTOR

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SEPTEMBER QUARTERLY REPORT

For the period 1st July – 30th September 2020

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 30th September 2020.

LACHLAN FOLD BELT PROJECT

During the quarter Sultan continued exploration across its suite of highly attractive porphyry and epithermal exploration targets in the Macquarie Arc volcanic rocks of the Lachlan Fold Belt, NSW.

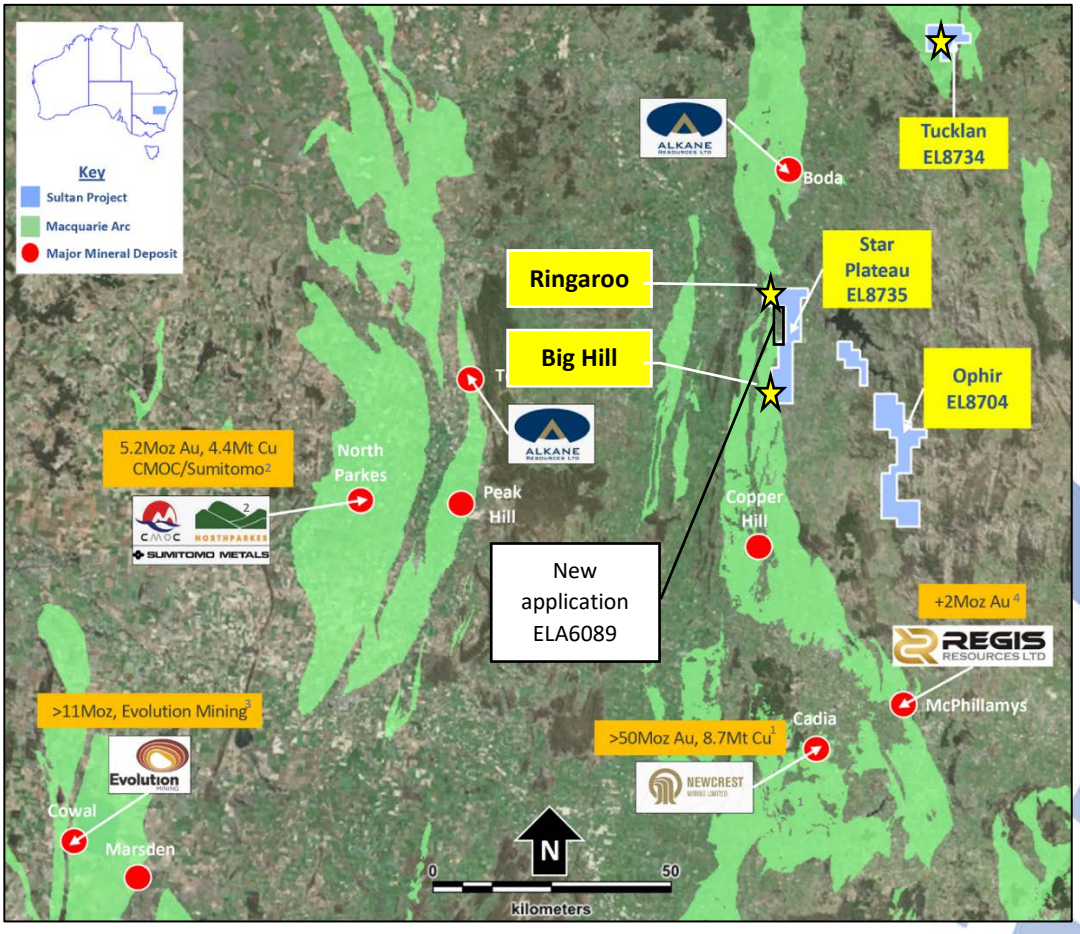


Figure 1: Sultan tenements in relation to World Class operating mines of the East Lachlan Fold Belt, and the recent Boda discovery

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Exploration during the quarter

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. Results from Big Hill and Ringaroo were received during the quarter (*see SLZ ASX Announcements 09/07/2020, 27/08/2020, 25/09/2020 and 30/09/2020*) and IP results from Tucklan were received subsequent to the quarter (*see SLZ ASX Announcement 20/10/2020*).

Big Hill Results

Geological mapping, soil and rock chip sampling continued to the east and southeast of the Big Hill target during the quarter. 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.

Razorback Ridge

The Razorback Ridge target is marked by a northeast striking zone of outcropping skarn-style mineralisation that is exposed for over 1 km yet remained unrecognised by previous explorers. Mineralisation is hosted in quartz sulphide vein breccias showing quartz – Fe carbonate – chlorite – sulphide – hematite - +/- magnetite altered limestone and chlorite altered mafic volcanics. The mineralised outcrop is strongly coincident with a prominent N-S striking linear magnetic feature (Figure 6). Exceptional rock chip results up to 2.25g/t Au and up to 2.65% Cu have been returned from outcrop and the entire zone has returned 4 samples over 1g/t, a further 8 samples above 0.5g/t Au and 5 samples over 1% Cu at various locations along strike (Table 1).

Table 1: Significant results from the Razorback Ridge rock samples

SampleID	Sample_Type	GDA_East	GDA_North	Au g/t	Cu %
SPR078	Outcrop	685008	6366096	**0.56**	**2.24**
SPR068	Outcrop	685005	6366101	**0.98**	**2.65**
SPR079	Outcrop	685005	6366101	**0.62**	**2.42**
SPR080	Outcrop	685005	6366101	**0.64**	**2.00**
SPR081	Outcrop	685005	6366101	**0.99**	**2.09**
SPR037	Outcrop	685005	6366247	**1.12**	0.13
SPR038	Outcrop	685006	6366247	**1.69**	0.10
SPR039	Outcrop	685008	6366248	**1.14**	0.14
SPR040	Outcrop	685009	6366249	**2.25**	0.07
SPR051	Outcrop	684922	6365610	**0.58**	0.09
SPR058	Outcrop	684976	6365850	**0.59**	**0.51**
SPR059	Outcrop	684976	6365852	0.38	**0.55**
SPR062	Outcrop	684971	6365887	0.42	**0.50**
SPR066	Outcrop	685015	6366085	0.04	**0.78**
SPR067	Outcrop	685008	6366096	0.48	0.20
SPR070	Outcrop	685008	6366096	**0.57**	0.24

The mineralisation at Razorback shows similarities, albeit over a far greater strike length, to the high grade Gowan Green skarn target 2.6km to the NW, where rock chips up to 24.6g/t Au & 26.1% Cu were returned from mullock sampling (*see ASX Announcement 20/05/2020*). Both Gowan Green and Razorback Ridge sit on the periphery of the

main Big Hill Magnetic Complex. The discovery of historically unrecognised outcropping chalcopyrite, malachite, azurite and chalcocite in skarn with up to 2.25g/t Au and 2.65% Cu exactly half-way between Cadia and Boda confirms Sultan's interpretation of the high prospectivity of the Star Plateau project.

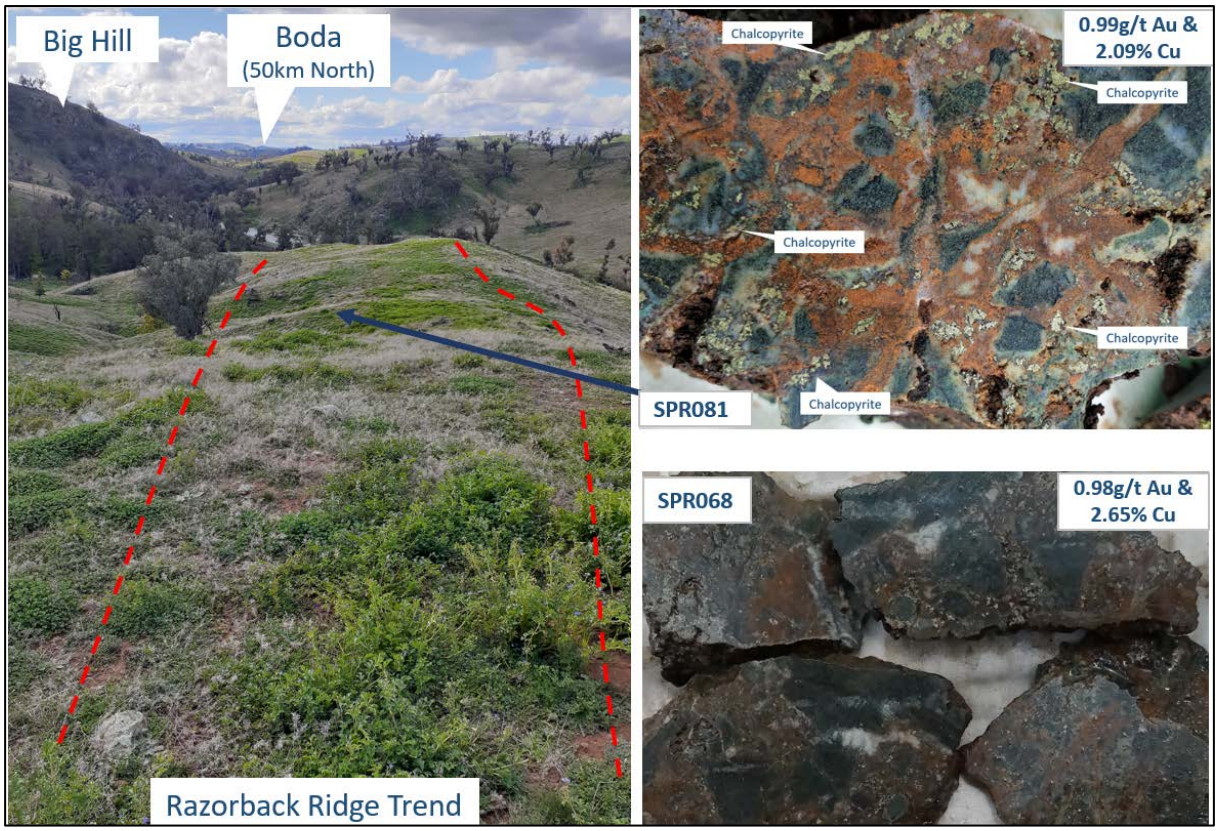


Figure 2: Site photo, looking north, of Razorback Ridge showing the skarn trend and the location of a silica, chlorite pyrite and hematite altered chalcopyrite mineralised vein breccia

Magnetic Reprocessing

Southern Geoscience Consultants was commissioned by Sultan to undertake a reprocessing and 3D inversion of open file magnetic data over the Big Hill prospect area. The magnetic survey was completed by Clancy Exploration (now RareX, ASX:REE) in 2013 (*ASX Announcement 29/04/2013*). The reprocessing exercise greatly enhanced the detail of the Big Hill magnetic complex and highlighted internal magnetic lows and potential structural features. The work also produced a 3D magnetic inversion block model which provided strong indications for the presence of a magnetic intrusive body immediately beneath the Big Hill, Wattle Ridge and Gowan Green surface geochemical anomalies. The inversion block model showed a strong spatial association with the location of surface anomalies and even displays a number of narrow apophyses that extend from the main body at depth to the surface in the locations of the strongest surface geochemical anomalism and porphyry style alteration (Figure 3).

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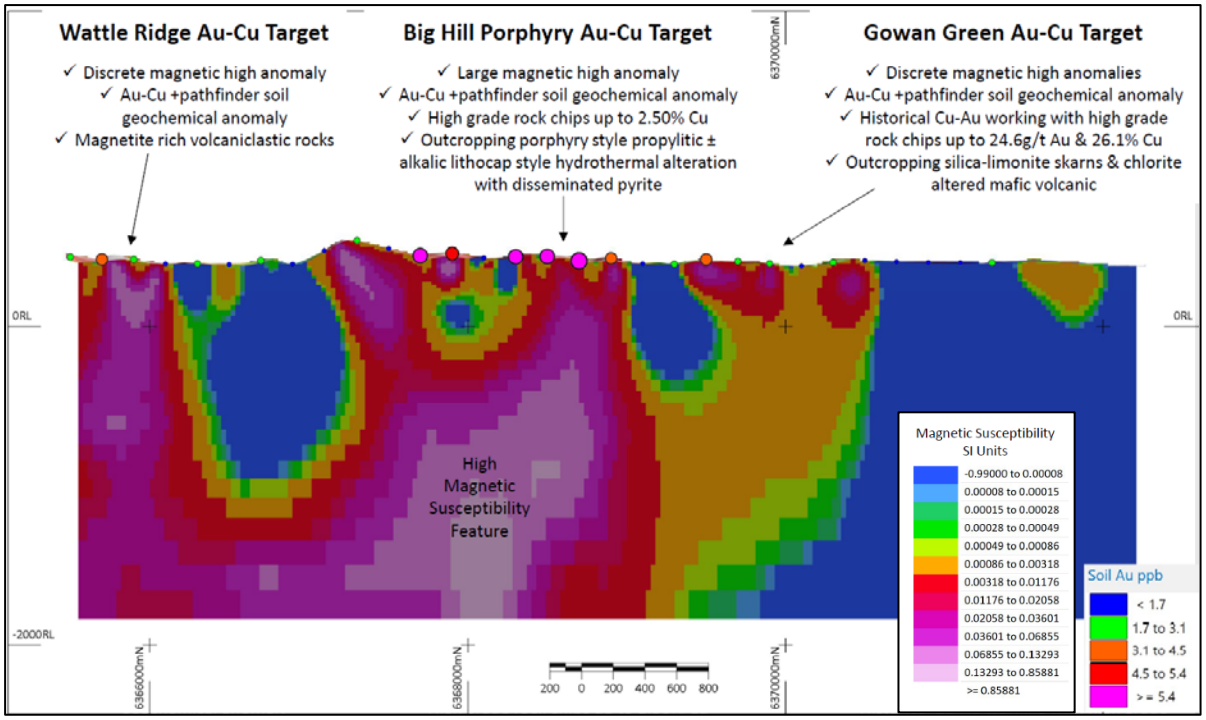


Figure 3: Big Hill 3D UBC Magnetic Inversion Block Model – Long Section 684,500mE with Gold in Soils (100m clipping window, looking west)

Ringaroo Results

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

Soil sampling across a 200m x 200m grid covering a ~3km^2 portion of Ringaroo 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 4). 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.

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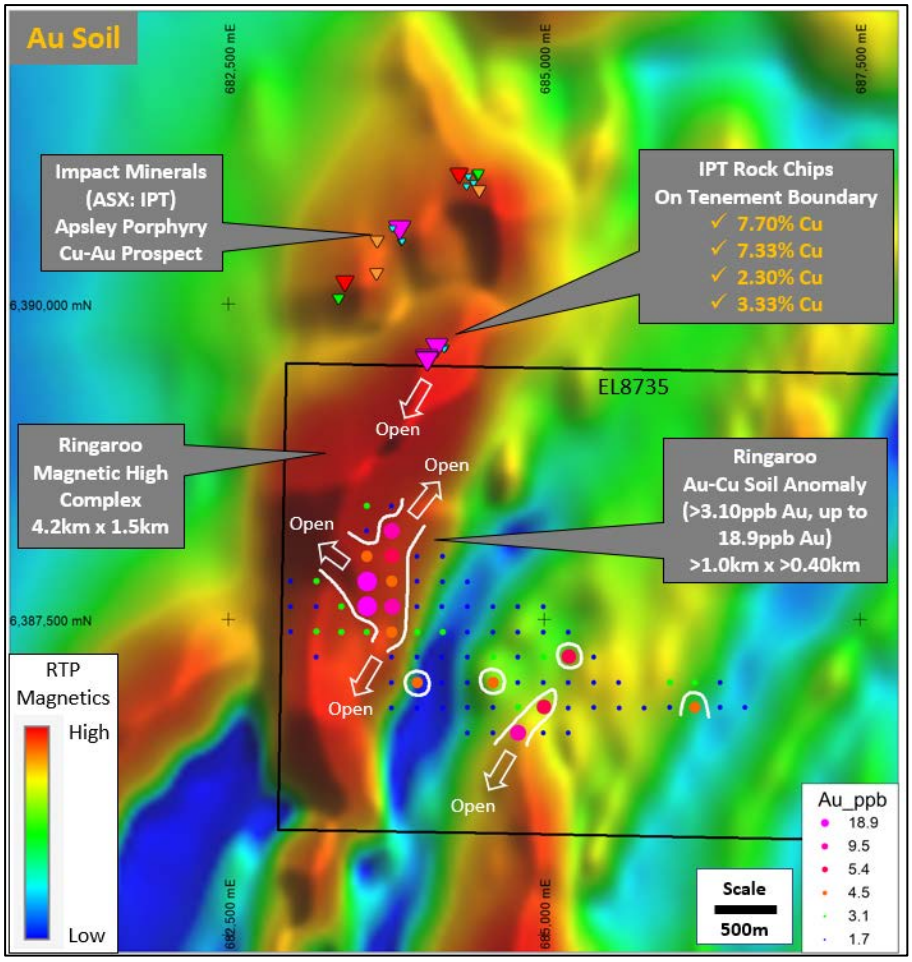


Figure 4: Ringaroo gold soil anomaly map (200m X 200m Sample Grid) on RTP Aeromagnetic Image.

WA PROJECTS

Lake Grace

During the quarter, 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).

The work program will initially consist of a broad-spaced mapping and rock / soil sampling program across the magnetic anomalies. Any areas where confirmed ultramafic rocks or geochemical anomalies that indicate likely ultramafic occurrence will be followed up with detailed grid-based soil or shallow drill sampling (auger, aircore). Bodies of verified ultramafics will also be subject to Electro-Magnetic (EM) surveys to locate any buried conductive bodies.

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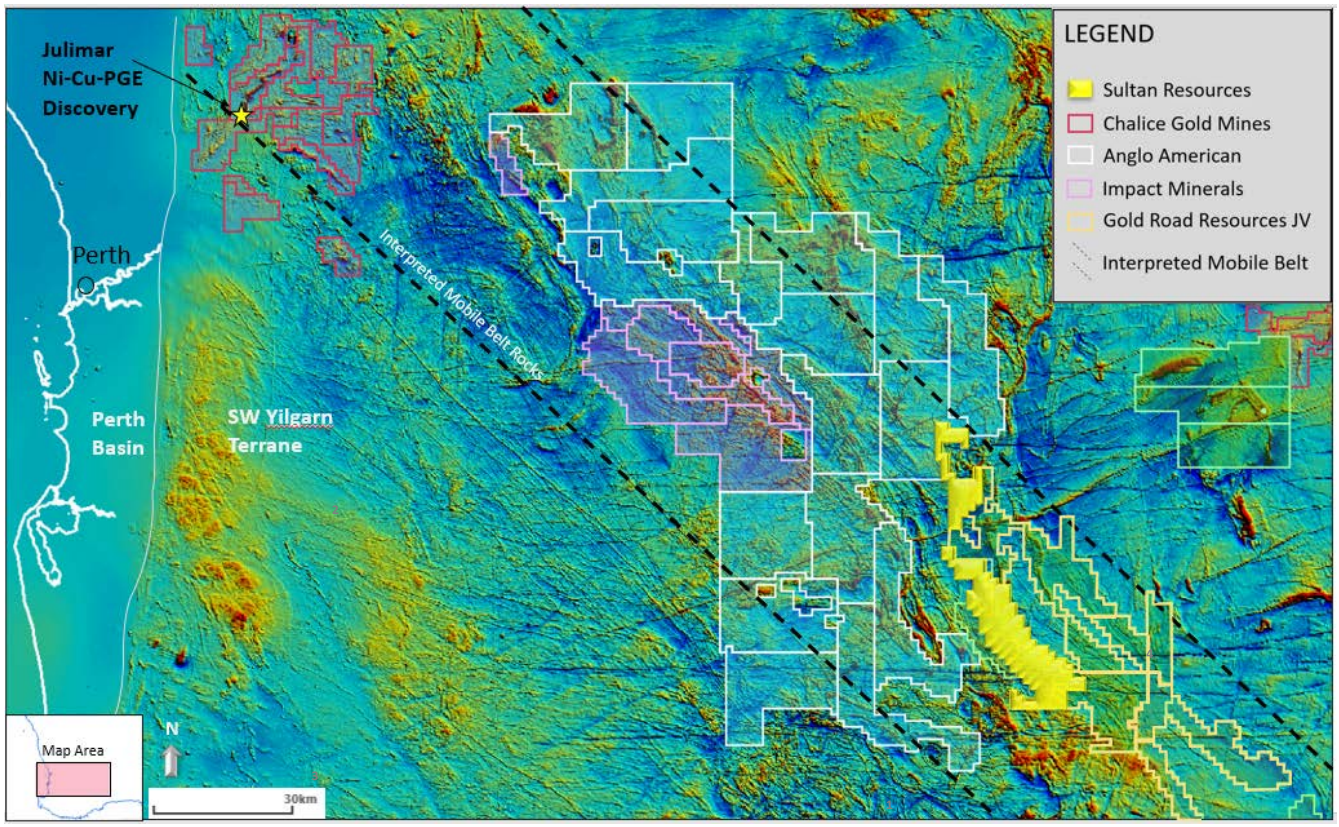


Figure 5: Sultan's Lake Grace portfolio of tenements in relation to the recent applications by Anglo American (white outline), Impact Minerals (pink outline) and the Gold Road Resources/Cygnus Gold JV (beige outline). All of Sultan's tenure lies within an interpreted mobile zone prospective for Ni-Cu mineralisation as postulated by Impact Minerals Ltd (see Impact Minerals announcement dated 10/06/2020)

ACTIVITIES SUBSEQUENT TO THE REPORTING PERIOD

Tucklan Results

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 6) 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.

The results show a remarkably consistent, linear chargeability and resistivity correlation that is strongly coincident with the gold and copper soil response and parallel to a de-magnetised linear feature within the broader Tucklan magnetic complex (Figure 5). Coupled with previously identified outcropping gold-mineralised samples exhibiting strong disseminated pyrite and pervasive silica and adularia alteration (*see ASX Announcement 02/06/2020*), the IP survey has elevated the Tucklan project to an exceptional, epithermal-style gold prospect that is ready for drill testing.

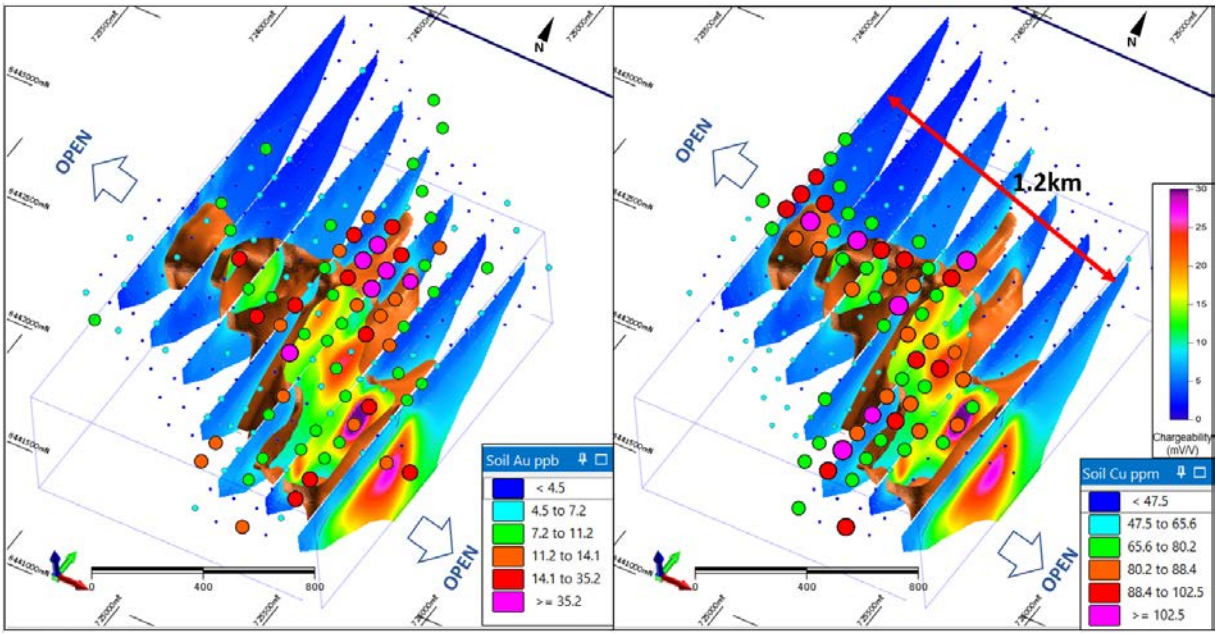


Figure 6: Oblique, stacked 3D IP Chargeability sections with 15 mV/V isosurface (brown) and Au (left) and Cu (right) in soils results. The greater IP chargeability anomaly (>9mV/V, up to >30mV/V) is up to 1.6km long x 0.6km wide, coincident soil anomaly and open both ends

OTHER PROJECTS

Thaduna

Follow up exploration of the recent gold and base-metal aircore anomalies defined late in 2018 are planned for the 2020 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 Tallering

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

New South Wales – Lachlan Fold Belt

The Company has 100% ownership of a 326km^2 portfolio of ground in Lachlan Fold Belt prospective for porphyry gold-copper, epithermal gold, placer-style gold and base metals. The portfolio lies in close proximity to a number of established and recently discovered porphyry gold and copper deposits.

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Western Australia

Sultan has 100% ownership of a 946km^2 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 Tallering 180km east of Geraldton
- Dalwallinu 195km NE of Perth

CORPORATE

Sultan's cash position as at 30 September 2020 was $1.6m.

On 28 October 2020, the Company announced that it had received firm commitments for $2.4 million.

This announcement has been authorised by the board of directors of Sultan

ADDITIONAL ASX INFORMATION

ASX Listing Rule 5.3.1

Exploration and Evaluation during the quarter was $158,000. The majority of this was spent on the Company's Lachlan Fold Belt Project.

ASX Listing Rule 5.3.2

There was no substantive mining production and development activities during the quarter.

ASX Listing Rule 5.3.5

Payments to Related Parties & their Associates	Total Amount
Director Fees and Superannuation	$28,470
Company Secretarial, Registered Office and Financial Management Services	$28,560

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SCHEDULE OF TENEMENTS

Western Australia

Tenement	Holder	Status	Area	Application Date	Grant Date	Expiry Date	Required Expenditure
Dalwallinu Project							
E70/4884	Sultan 100%	Live	57 blocks	30/06/2016	4/08/2017	3/08/2022	$57,000
Thaduna Project							
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
Tallering East Project							
E59/2185-I	Sultan 100%	Live	22 Blocks	17/06/2016	1/02/2017	31/01/2022	$22,000
Lake Grace Project							
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

New South Wales

Sultan submitted an application for further tenure adjacent to EL8375 during the quarter (Figure 1). Lying along strike between the Big Hill and Ringaroo porphyry targets, the 11.45km^2 application ELA6089 complements the Star Plateau licence and secures an important ground position between Sultans two priority porphyry targets. ELA6089 is still in application and is pending grant from the NSW Department of Planning and Environment.

TENEMENT	REGISTERED HOLDER	GRANT OR APPLICATION DATE	EXPIRY DATE	STATUS	AREA	ANNUAL RENTAL FEE	ANNUAL ADMIN LEVY	SECURITY REQUIRED	SECURITY HELD	MINERALS
EL 8704 (1992)	Colossus Metals Pty Ltd	5 March 2018	5 March 2023	Current	60 Units	$3,600	$100	$10,000	$10,000	Group 1
EL 8734 (1992)	Colossus Metals Pty Ltd	16 April 2018	16 April 2020 (Renewal sough until 16 April 2025)	Renewal Pending	16 Units	$960	$100	$10,000	$10,000	Group 1
EL 8735 (1992)	Colossus Metals Pty Ltd	16 April 2018	16 April 2020 (Renewal sough until 16 April 2025)	Renewal Pending	37 Units	$2,220	$100	$10,000	$10,000	Group 1
Total: 3					**113 Units**	**$6,780**	**$300**	**$30,000**	**$30,000**	

Note: Draft notices of the proposed decision by the Department of Resource Operations, Regional NSW – Mining, Exploration and Geoscience regarding the 100% renewal of licences EL8734 and EL8735 have been received by Sultan Resources but are yet to be finalised and updated in the Departments' Titles Administration System

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.

Disclaimer

In relying on the above mentioned ASX announcement 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 announcement.

References for resources referred to in Figure 1

1. Newcrest., 2019, Newcrest Investor and Analyst Presentation, ASX Announcement, 18 November 2019
2. CMOC 2019., China Molybdenum Company Limited, http://www.cmocinternational.com/australia/
3. Evolution., 2018, https://evolutionmining.com.au/reservesresources/
4. Regis Resources Ltd, https://www.regisresources.com.au/General/reserves-and-resources.html

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Sultan Resources Limited

ABN	Quarter ended ("current quarter")
35 623 652 522	30 September 2020

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	(9)	(9)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(8)	(8)
	(e) administration and corporate costs	(149)	(149)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	3	3
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(163)**	**(163)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation (if capitalised)	(240)	(240)
	(e) investments	-	-
	(f) other non-current assets	-	-

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
2.2	Proceeds from the disposal of:	-	-
	(a) entities		
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(240)**	**(240)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	-	-

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	2,005	3,063
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(163)	(163)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(240)	(240)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
-4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**1,602**	**1,602**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	1,602	2,005
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	1,602	**2,005**

6.	**Payments to related parties of the entity and their associates**	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(57)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

Director and consulting fees to Directors and/or Director related entities $28,470

Financial management and Company Secretary fees paid to a Director related entity $28,560

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7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-

7.5	**Unused financing facilities available at quarter end**	-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (Item 1.9)	(163)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	(240)
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(403)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	1,602
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	1,602
8.7	**Estimated quarters of funding available (Item 8.6 divided by Item 8.3)**	4

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

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Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 30 October 2020

Authorised by: The Board of SLZ

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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