SULTAN
RESOURCES

Sultan Resources Limited

(ACN 623 652 522)

Entitlement Issue Prospectus

This Prospectus contains the following offers:

(a) a pro-rata non-renounceable entitlement issue of one (1) New Share for every three (3) existing Shares held by those Shareholders registered at the Record Date at an issue price of $0.014 per New Share to raise up to $691,553 (before costs), together with one (1) free attaching listed New Option for every three (3) New Shares subscribed for and issued (**Offer**);

(b) 16,465,561 New Options to the Underwriter (and or its nominee/s) (**Underwriter Offer**); and

(c) 10,000,000 New Options to the Joint Lead Managers (and or their nominee/s) (**Joint Lead Manager Offer**).

The Offer is fully underwritten by Still Capital Pty Ltd (ABN 33 647 521 603) Authorised Representative (No. 1285629) of ShareX Pty Ltd (AFSL: 519872). Refer to Section 5.4 for details regarding the terms of the Underwriting Agreement.

The Joint Lead Managers to the Offer are Xcel Capital Pty Ltd and ARQ Capital Pty Ltd. Refer to Section 5.6 for details regarding the terms of the Joint Lead Manager Mandate.

The Offers close at 5:00pm (WST) on 23 February 2024.

Important Notice
This is an important document and should be read in its entirety.

This Prospectus is a transaction-specific prospectus issued in accordance with section 713 of the Corporations Act. If you have any queries about any part of the Prospectus, please contact your professional adviser without delay. The Securities offered by this Prospectus should be considered speculative.

Corporate Directory

Directors

Jeremy King
Non-Executive Chairperson

Steven Groves
Non-Executive Director

David Ian Lees
Non-Executive Director

Company Secretary

Hannah Cabatit

Registered Office and Principal Place of Business

Suite 11, Level 2
23 Railway Road
Subiaco WA 6008

Telephone: 08 6559 1792
Email: info@sultanresources.com.au
Website: https://www.sultanresources.com.au/

ASX Code

SLZ

Share Registry*

Automic Share Registry
Level 5, 191 St Georges Terrace
Perth WA 6000

Solicitors

Nova Legal Pty Ltd
Level 2, 50 Kings Park Road
West Perth WA 6005

Auditor*

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

Underwriter

Still Capital Pty Ltd
Unit 6, 375 Charles Street
North Perth WA 6006

Joint Lead Managers

Xcel Capital Pty Ltd
Suite 4, 11 Ventnor Avenue
West Perth WA 6005

ARQ Capital Pty Ltd
PO Box 4
Cottesloe WA 6911

** These entities are included for information purposes only. It has not been involved in the preparation of this Prospectus.*

Contents

IMPORTANT INFORMATION

GENERAL

This Prospectus is dated 6 February 2024 and was lodged with ASIC on that date. Neither ASIC nor ASX, nor any of their officers, take any responsibility for the contents of this Prospectus.

This Prospectus expires 13 months from the date it was lodged with ASIC. No Securities will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus. An application will be made to ASX for the quotation of the Securities the subject of this Prospectus in accordance with the timetable set out at the commencement of this Prospectus.

In preparing this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and their professional advisers. This Prospectus is issued pursuant to section 713 of the Corporations Act. Section 713 allows the issue of a more concise prospectus in relation to an offer of continuously quoted securities or options to acquire continuously quoted securities. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all information that would be included in a prospectus for an initial public offering.

This document is important and it should be read in its entirety. The Securities to be issued pursuant to this Prospectus should be viewed as a speculative investment and Eligible Shareholders should refer to the Section 2 for details of certain risk factors which are considered to be relevant for the purposes of the Offer. Eligible Shareholders should consult their stockbroker, solicitor, accountant or other professional adviser if necessary.

No person is authorised to give any information or to make any representation in relation to the Offer which is not contained in this Prospectus and any such information may not be relied upon as having been authorised by the Directors.

A copy of this Prospectus can be downloaded from the Company's website at https://www.sultanresources.com.au/. The offer constituted by an electronic version of this Prospectus is only available to persons receiving an electronic version of this Prospectus within Australia. Any Shareholder may obtain a hard copy of this Prospectus by contacting the Company.

A number of terms and abbreviations used in this Prospectus have defined meanings set out in Section 7.

OVERSEAS SHAREHOLDERS

Securities will not be issued pursuant to this Prospectus in jurisdictions outside Australia and New Zealand. The distribution of this Prospectus in jurisdictions outside of Australia and New Zealand may be restricted by law and therefore persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the applicable securities law.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Securities these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offers are not being extended and Securities will not be issued to Shareholders with a registered address which is outside Australia and New Zealand.

This Prospectus does not, and is not intended to, constitute an offer of securities in any jurisdiction where, or to any person to whom, it would be unlawful to make such an offer or issue. This

Prospectus has not been, nor will it be lodged, filed or registered with any regulatory authority under the securities laws of any other country.

RISK FACTORS

Refer to Section 2 for details of the risks associated with an investment in the Company. As with any securities investment, there are risks associated with investing in the Company. Investors should be aware that an investment in the Company involves risks that may be greater than risks associated with an investment in some other companies. The principal risks that could affect the financial and market performance of the Company are detailed in Section 2 of this Prospectus. The Securities on offer under this Prospectus should be considered speculative. Accordingly, before deciding to invest in the Company, investors should read this Prospectus in its entirety and should consider all factors in light of their individual circumstances and seek appropriate professional advice.

The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of the risks are, however, highly unpredictable and the extent to which they can be effectively managed is limited.

Risks of investing in the Company's existing assets and general risks are set out in Section 2 of this Prospectus.

Careful consideration should be given to all matters raised in this Prospectus and the relative risk factors prior to applying for Securities offered for subscription under this Prospectus. Investors should consider the risk factors described in Section 2, together with the information contained elsewhere in this Prospectus, before deciding whether to apply for Securities.

TARGET MARKET DETERMINATION

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the various target markets for the offer of Securities issued under this Prospectus. The Company will only distribute this Prospectus to those investors who fall within the target market determination (**TMD**) as set out on the Company's website at https://www.sultanresources.com.au/. By making an application for Securities under this Prospectus, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

TIMETABLE AND IMPORTANT DATES

EVENT	DATE
Announcement of the Offer and lodgement of Appendix 3B with ASX	Tuesday, 6 February 2024
Lodgement of Prospectus with ASIC and ASX	Tuesday, 6 February 2024
Ex date	Thursday, 8 February 2024
Record Date for determining Shareholders entitled to participate in the Offer	Friday, 9 February 2024
Prospectus and Entitlement and Acceptance Form despatched to Eligible Shareholders, and Company announces that this has occurred	Wednesday, 14 February 2024
Opening date of the Offer	Wednesday, 14 February 2024
Last day to extend Closing Date of the Offer	Tuesday, 20 February 2024
Closing Date (5:00pm WST)*	Friday, 23 February 2024
Securities quoted on a deferred settlement basis	Monday, 26 February 2024
Last day for the Company to issue the Securities under the Offer and lodge an Appendix 2A	Friday, 1 March 2024

* The Directors may extend the Closing Date of the Offer by giving at least three (3) Business Days' notice to ASX prior to the Closing Date. As such the date the Securities are expected to commence trading on ASX may vary.

**Quotation of the New Options is subject to the Company satisfying the quotation requirements set out in Chapter 2 of the ASX Listing Rules.

1. DETAILS OF THE OFFER

1.1 Offer

The Company is making a pro-rata non-renounceable entitlement issue (**Offer**) comprised of new fully paid ordinary shares in the capital of the Company (**New Shares**) on the basis of one (1) New Share for every three (3) existing Shares held, at an issue price of $0.014 per New Share, together with one (1) free attaching listed Option (exercisable at $0.03 on or before three (3) years from the date of issue) (**New Options**) for every three (3) New Shares subscribed for and issued. In the calculation of any Entitlement, fractions will be rounded down to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus, approximately 49,396,683 New Shares and 42,931,122 New Options will be issued pursuant to the Offer, Underwriter Offer and Joint Lead Manager Offer to raise up to approximately $691,553 (before costs). No funds will be raised from the issue of the New Options.

All of the New Shares offered under the Offer will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.1 for further information regarding the rights and liabilities attaching to Shares.

The New Options will be exercisable at $0.03 and expire three (3) years from the date of issue. In the event that the Company can satisfy the ASX requirements for quotation of a new class of securities (which includes, among other things, there being a minimum of 100,000 New Options on issue, with at least 50 holders holding a marketable parcel), the Company will seek quotation of the New Options. The Company makes no guarantee that any such application for quotation will be successful. Please refer to Section 4.2 for the full terms and conditions of the New Options.

Details of the purpose and effect of the Offer and the proposed used of funds raised are set out in Section 3.

The Offer is fully underwritten by Still Capital Pty Ltd (**Still** or **Underwriter**). Refer to Section 5.4 for a summary of the terms of the Underwriting Agreement.

Xcel Capital Pty Ltd (ACN 617 047 319) (**Xcel Capital**) and ARQ Capital Pty Ltd (ACN 135 397 796) (**ARQ Capital**) (together, the **Joint Lead Managers**) have been appointed as joint lead managers to the Offer. Refer to Section 5.6 for a summary of the terms of the Joint Lead Manager Mandate.

1.2 The Underwriter Offer

The Underwriter Offer is an offer of up to 16,465,561 New Options to the Underwriter (or their nominee/s), in part consideration for agreeing to underwrite the Offer.

The New Options offered under the Underwriter Offer will be issued on the terms and conditions set out in Section 4.2. The Company will apply for Official Quotation of the New Options to be issued under the Underwriter Offer.

The purpose of the Underwriter Offer is to satisfy part of the Company's obligations under the Underwriting Agreement and to remove the need for an additional disclosure document to be issued upon the sale of any Shares that are issued on exercise of the New Options subscribed for by the Underwriter (or their nominee/s).

Only the Underwriter (or its nominee/s) may apply under the Underwriter Offer. A personalised Underwriter Offer Application Form in relation to the Underwriter Offer will be issued to the Underwriter together with a copy of this Prospectus. You should not complete an Underwriter Offer Application Form unless specifically directed to do so by the Company.

1.3 The Joint Lead Manager Offer

The Joint Lead Manager Offer is an offer of up to 10,000,000 New Options to the Joint Lead Managers (or their nominees) (**Joint Lead Manager Options**), in part consideration for services provided by the Joint Lead Managers in connection with the Offer (**Joint Lead Manager Offer**). The issue of the Joint Lead Manager Options is subject to Shareholder approval.

The New Options offered under the Joint Lead Manager Offer will be issued on the terms and conditions set out in Section 4.2. The Company will apply for Official Quotation of the New Options to be issued under the Joint Lead Manager Offer.

The purpose of the Joint Lead Manager Offer is to satisfy part of the Company's obligations under the Joint Lead Manager Mandate and to remove the need for an additional disclosure document to be issued upon the sale of any Shares that are issued on exercise of the New Options subscribed for by the Joint Lead Managers (or their nominee/s).

Only the Joint Lead Managers (or its nominee/s) may apply under the Joint Lead Manager Offer. A personalised Joint Lead Manager Offer Application Form in relation to the Joint Lead Manager Offer will be issued to the Joint Lead Managers together with a copy of this Prospectus. You should not complete a Joint Lead Manager Offer Application Form unless specifically directed to do so by the Company.

1.4 Minimum Subscription

There is no minimum subscription under the Offer.

1.5 Opening and Closing Dates

The Offer will open for receipt of acceptances on **14 February 2024**.

The Offer will close at **5:00pm (WST) on 23 February 2024**, or such later date as the Directors, in their absolute discretion and subject to compliance with the Listing Rules, may determine and provided that the Company gives ASX notice of the change at least three (3) Business Days prior to the Closing Date.

1.6 How to Accept the Offer

The number of Securities to which Eligible Shareholders are entitled is shown on the personalised Entitlement and Acceptance Form which will be despatched with the Prospectus.

(a) **What Eligible Shareholders may do**

Eligible Shareholder may participate in the Offer as follows:

(i) if you wish to accept your **full** Entitlement:

(A) take up all of your Entitlement in accordance with the instructions on the accompanying Entitlement and Acceptance Form; and

(B) pay the application monies for the amount indicated on your Entitlement and Acceptance Form (in full) by BPAY or Electronic Funds Transfer (**EFT**), so that it is received by no later than 5:00pm (WST) on the Closing Date; or

(ii) if you only wish to accept **part** of your Entitlement:

(A) fill in the number of Securities you wish to accept in the space provided on the Entitlement and Acceptance Form; and

(B) pay the appropriate application monies, by BPAY or EFT so that is received no later than 5:00pm (WST) on the Closing Date; or

(iii) if you wish to accept your full Entitlement **and** apply for additional Shortfall Securities:

(A) fill in the number of Shortfall Securities you wish to apply for in addition to your full Entitlement in the space provided on the Entitlement and Acceptance Form; and

(B) pay the application monies for the amount indicated on your Entitlement and Acceptance Form plus any additional Shortfall Securities you wish to apply for (in full) by BPAY or EFT, so that it is received by no later than 5:00pm (WST) on the Closing Date;

If you apply for Shortfall Securities beyond your Entitlement you are deemed to have accepted your Entitlement in full. You should note that the allocation of Shortfall Securities is at the Company’s absolute discretion (working alongside the Underwriter) as per the allocation policy set out in Section 1.7. Accordingly, your application for additional Shortfall Securities may be scaled-back. The Company's decision on the number of Shortfall Securities to be allocated to you will be final; or

(iv) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

(b) **Payment options**

(i) BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

(A) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and

(B) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Securities which is covered in full by your application monies.

If you have more than one shareholding of Shares and consequently receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those Shareholdings only use the unique customer reference number (**CRN**) specific to that Shareholding as set out in the applicable Entitlement and Acceptance Form. Do not use the same CRN for more than one of your Shareholdings. This can result in your application monies being applied to your Entitlement in respect of only one of your Shareholdings (with the result that any application in respect of your remaining Shareholdings will not be valid).

(ii) Electronic Funds Transfer

For payment by EFT, please follow the instructions on the Entitlement and Acceptance Form. Multiple acceptances must be paid separately. You should be aware of your financial institution's cut-off time and any associated fees with processing an EFT. It is your responsibility to ensure funds are submitted correctly by the Closing Date and time. Please note that should you choose to pay by EFT:

(A) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and

(B) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Securities which is covered in full by your Application monies.

Please ensure you use your unique payment reference number located on the Entitlement and Acceptance Form. This will ensure your payment is processed correctly. Failure to do so may result in your funds not being allocated to your application and your Entitlement subsequently not being issued.

It is your responsibility to ensure that your completed Entitlement and Acceptance Form and payment of application monies is received by the share registry by no later than 5:00 pm (WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any application monies received for more than your final allocation of Securities will be refunded. No interest will be paid on any application monies received or refunded.

Returning a completed Entitlement and Acceptance Form or paying any Application monies by BPAY or EFT will be taken to constitute a representation by you that:

(a) you have received a copy of this Prospectus and the accompanying Entitlement and Acceptance Form, and read them both in their entirety;

(b) you acknowledge that once the Entitlement and Acceptance Form is returned, or a BPAY® or EFT payment instruction is given in relation to any Application monies, the application may not be varied or withdrawn except as required by law.

1.7 Shortfall Offer

Any Entitlement not taken up pursuant to the Offer will form part of the Shortfall Offer (**Shortfall Securities**). The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three (3) months following the Closing Date of the Offer, although it is intended that the Shortfall Offer will close promptly following the Closing Date for the Offer under the terms of the Underwriting Agreement.

The issue price for each New Shares to be issued under the Shortfall Offer shall be $0.014 being the price at which New Shares have been offered under the Offer. New Options will be issued under the Shortfall Offer on the same terms and ratio as New Options offered under the Offer.

Eligible Shareholders who take up their Entitlement in full may, in addition to their Entitlement, apply for Shortfall Securities regardless of the size of their present holding by completing the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on that form. Separate application forms may be provided, together with a copy of this Prospectus, to other investors who are not currently Shareholders who are invited to participate in the Shortfall Offer. It is possible that there may be few or no Shortfall Securities available for issue, depending on the level of take up of Entitlements by Eligible Shareholders. There is also no guarantee that in the event Shortfall Securities are available for issue, they will be allocated to all or any of the Eligible Shareholders who have applied for them.

The Directors and the Underwriter reserve the right to issue Shortfall Securities at their absolute discretion, subject to any restrictions imposed by the Corporations Act and the Listing Rules. As such there is no guarantee that Applicants under the Shortfall Offer will receive any Shortfall Securities applied for under the Shortfall Offer.

The Directors and the Underwriter reserve the right to issue to an Applicant a lesser number of Shortfall Securities than the number for which the Applicant applies, or to reject or scale back an Application for Shortfall Securities, or to not proceed with placing the Shortfall Securities. In that event, Application Monies will be refunded by the Company (without interest) in accordance with the provisions of the Corporations Act. The Company and the Underwriter will have no liability to any Applicant who receives less than the number of Shortfall Securities they applied for under the Shortfall Offer.

All decisions regarding the allocation of Shortfall Securities will be made by the Directors in consultation with the Underwriter. It is presently intended that Shortfall Securities will be allocated as follows:

(a) to Eligible Shareholders who apply for an excess of their full Entitlement;

(b) to other parties identified by the Directors, Underwriter and Joint Lead Managers, including Mr Jeremy King (**Mr King**) in accordance with the Director Sub-Underwriting Agreement as well as other parties who may not currently be Shareholders; and then

(c) to the Underwriter in accordance with the Underwriting Agreement.

No New Shares will be issued to a party under the Shortfall Offer if the effect would be to increase that party's voting power in the Company to an amount greater than 19.99%.

The Underwriter notes that no Securities will be issued to an applicant under this Prospectus or via the Shortfall Offer if the issue of Securities would contravene the takeover prohibition in section 606 of the Corporations Act. Similarly, no Securities will be issued via the Shortfall Offer to any related parties of the Company.

1.8 Non-renounceable

The Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

1.9 Underwriting and sub-underwriting

The Offer is fully underwritten by Still. Refer to Section 5.4 for details regarding the terms of the Underwriting Agreement. As at the date of this Prospectus, the Underwriter has entered into a sub-underwriting agreement in respect of the Shortfall Securities with Director, Jeremy King (**Director Sub-Underwriting Agreement**). The Underwriter intends to enter into sub-underwriting agreements in respect of the Offer with various other unrelated sub-underwriters to take up Shortfall Securities.

Refer to Sections 3.6 and 5.5 for further details of the Director Sub-Underwriting Agreement. The Company intends to rely on Listing Rule 10.12, exception 2 to permit Mr King to sub-underwrite the Offer. However, the Company will seek Shareholder approval for the issue of 952,380 Underwriter Options to Mr King (or his nominee) as consideration for sub-underwriting the Offer.

The Underwriter nor any of the sub-underwriters will increase their shareholding to above 19.99% as a direct result of the issue of Shares under the Offer.

1.10 Joint Lead Managers

Xcel Capital and ARQ Capital have been appointed as Joint Lead Managers to the Offer. The terms of the appointment of the Joint Lead Managers are summarised in Section 5.6 of this Prospectus.

1.11 Effect on control of the Company

As at the date of this Prospectus, the Underwriter is not a shareholder of the Company and the extent to which New Shares are issued pursuant to the Underwriting Agreement will increase the Underwriter's voting power in the Company.

In accordance with the terms of the Underwriting Agreement, the Underwriter will allocate the Shortfall to its sub-underwriters and/or clients and people who have otherwise agreed to assist with the completion of the Offer such that neither the Underwriter, the sub-underwriter nor any of the Underwriter's clients individually, will have a voting power in the Company in excess of 19.9% after the issue of the Shortfall.

The Underwriter's present relevant interest and changes under several scenarios are set out in the table below.

Event	Shares held by Underwriter	Voting power of Underwriter
Date of Prospectus	0	0%
Completion of Entitlement Issue		
Fully subscribed	0	0.00%
75% subscribed	12,349,170	6.25%
50% subscribed	24,698,341	12.50%
25% subscribed	37,047,512	18.75%
0% subscribed	49,396,683	25.00%

The number of Shares held by the Underwriter and its voting power in the table above show the potential effect of the underwriting of the Offer. However, it is unlikely that no Shareholders will take up entitlements under the Offer. The underwriting obligations and therefore potential voting power of the Underwriter will reduce by a corresponding amount for the amount of entitlements under the Offer taken up by Shareholders. Furthermore, the voting power of the Underwriter will also be reduced to the extent that sub-underwriters take up any Shortfall (including pursuant to the Director Sub-Underwriting Agreement). Any relevant interest acquired by the Underwriter or sub-underwriters will also be diluted if any Optionholders exercise and convert their Options to Shares.

The Company and the Underwriter have confirmed that no sub-underwriter nor existing Shareholder will increase its voting power to above 20% as a result of the Offer or Shortfall Offer.

The Company, in consultation with the Underwriter, will ensure that the Offer (including the equitable dispersion of any Shortfall Securities) complies with the provisions of Chapter 6 of the Corporations Act and is otherwise consistent with the policy guidelines contained in ASIC Regulatory Guide 6 and Takeovers Panel Guidance Note 17.

There will be no change to any Shareholder's voting power as a result of the issue of the New Options. Where New Options are exercised into Shares, the voting power of the Shareholders who exercise the New Options will increase. The likelihood of New Options being exercised is dependent on the price of Shares from time to time until the New Options expire.

The Company considered GN 17 in seeking to put in place appropriate strategies to mitigate the potential control effects of the Entitlement Offer. In the Board's opinion, in the current commercial environment and having explored all options, the underwriting by the Underwriter of a non-renounceable entitlement issue was the most commercially feasible option available to the Company in the context of the Company's current requirement for capital.

No Shares will be issued to an applicant under the Offer or via the Shortfall Offer if the issue of Shares would contravene the takeover prohibition in section 606 of the Corporations Act. To that end, in exercising their discretion regarding the shortfall, the Company will not do so in a manner which is likely to exacerbate a potential unacceptable control effect on the Company (having regard to paragraph 7(b)(iii) of GN 17).

By reference to paragraphs 8 and 9 of GN 17:

(a) the Joint Lead Managers have been appointed to assist with procuring applications for any Shortfall Securities;

(b) the Underwriter has and will continue to seek out sub-underwriters which will reduce the control impact;

(c) sufficient time and detailed disclosure have been given to Shareholders and other investors to assess the Securities being offered; and

(d) the acquisition of New Shares by the Underwriter is in its capacity as such pursuant to a negotiated Underwriting Agreement (i.e. it is not facilitation of a capital raising by a contract to subscribe for Shortfall before the Offer is made).

The Company has a clear need for funds which has not been contrived (noting paragraph 9 of GN 17), and having regard to all available options, the Company has considered that entering into the Underwriting Agreement with the Underwriter provides the Company with the highest degree of certainty in the time available that the Offer will be successful.

The Company did consider the issue of renounceability of the Offer. Having regard to paragraphs 19-22 of GN 17, the fact that the Offer is non-renounceable should not be considered a significant factor given the Company considers that a market for rights is unlikely (given low liquidity in trading of the New Shares) and the additional costs to make the Offer renounceable.

In light of the above, the Company considers that the structure of the Offer should not give rise to unacceptable circumstances.

1.12 Potential dilution

Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 25% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus).

No immediate dilution will occur as a result of the issue of New Options under this Prospectus. However subsequent exercise of any or all of the New Options will result in dilution. Assuming all New Options offered pursuant to this Prospectus are issued and exercised into Shares, Shareholders who do not participate in the Offer, are likely to be diluted by an aggregate of approximately 36% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus).

Examples of how the dilution may impact Shareholders is set out in the table below:

Holder	Holding as at Record Date	% at Record Date	Entitlement	% if full Entitlement taken up	% if no Entitlement taken up
Shareholder 1	2,000,000	1.35%	666,666	1.35%	1.01%
Shareholder 2	1,000,000	0.67%	333,333	0.67%	0.51%
Shareholder 3	500,000	0.34%	166,666	0.34%	0.25%
Shareholder 4	250,000	0.17%	83,333	0.17%	0.13%
Shareholder 5	125,000	0.084%	41,666	0.08%	0.06%

Note: The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted are placed under the Shortfall Offer pursuant to the terms of the Underwriting Agreement. Percentages have been calculated on the basis of there being 148,190,049 Shares on issue at the date of this Prospectus and 197,586,732 Shares on issue on completion of the Offer. Refer to Section 3.4 for further details of the Company's capital structure.

1.13 ASX Listing

Application for Official Quotation of the New Shares offered pursuant to this Prospectus will be made in accordance with the timetable set out at the commencement of this Prospectus. If ASX does not grant Official Quotation of the New Shares offered pursuant to this Prospectus before the expiration of three (3) months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any New Shares and will repay all application monies for the New Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the New Shares is not to be taken in any way as an indication of the merits of the Company or the New Shares offered for subscription under this Prospectus.

The Company will also apply for Official Quotation of the New Options issue pursuant to this Prospectus in accordance with the timetable set out at the commencement of this Prospectus. If ASX does not grant Official Quotation of the New Options offered pursuant to this Prospectus, or if the Company does not meet the minimum requirements to be granted Official Quotation of the New Options, then those Options will still be issued, however will not be quoted on ASX.

1.14 Issue of Securities

The Securities issued pursuant to the Offer will be allotted in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus. Shortfall Securities issued pursuant to the Shortfall Offer will be allotted pursuant to the terms of the Underwriting Agreement.

Where the number of Securities issued is less than the number applied for, or where no allotment is made surplus application monies will be refunded without an interest to the Applicant as soon as practicable.

Pending the allotment and issue of the Securities or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for the Securities issued under the Offer will be mailed in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus and for Shortfall Securities issued under the Shortfall Offer (if any) as soon as practicable after their issue.

1.15 CHESS and Issuer Sponsorship

The Company is a participant in Clearing House Electronic Sub-Register System (**CHESS**), for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Securities allotted to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

1.16 Risks

As with any securities investment, there are risks associated with investing in the Company. The principal risks that could affect the financial and market performance of the Company are detailed in Section 2 of this Prospectus. The Securities on offer under this Prospectus should be considered speculative. Accordingly, before deciding to invest in the Company, investors should read this Prospectus in its entirety and should consider all factors in light of their individual circumstances and seek appropriate professional advice.

1.17 Overseas Shareholders

The Offer and Shortfall Offer do not, and are not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Securities these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Securities will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

In relation to the Shortfall Offer, the distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are residents in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed. No action has been taken to register or qualify the Shortfall Offer or the Shortfall Options, or to otherwise permit a public offering of the Shortfall Options under the Shortfall Offer in any jurisdiction outside Australia.

New Zealand

The Offer (and Shortfall Offer) is not being made to the public in New Zealand other than to existing Shareholders with registered addresses in New Zealand to whom the Offer is being made in reliance on the Financial Markets Conduct Act 2013 and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Nominees and custodians

Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are resident in other jurisdictions are responsible for ensuring that applying for Securities under the Offer (or Shortfall Offer) does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form (or Shortfall Offer Application Form) will be taken by the Company to constitute a representation that there has been no breach of those regulations.

1.18 Representations

The return of the Application Form or otherwise applying for Securities under the Offer (or Shortfall Offer) will be taken by the Company to constitute a representation by the Applicant that it:

(a) has received a printed or electronic copy of this Prospectus accompanying the form and has read it in full;

(b) agrees to be bound by the terms of this Prospectus and the Constitution;

(c) has obtained all necessary approvals and complied with all relevant laws and regulations for the purposes of Section 1.17 (to the extent that they are applicable) and confirms its eligibility in respect of an offer of securities under the applicable Offer;

(d) declares that all details and statements in the Application Form are complete and accurate;

(e) declares that it is over 18 years of age and has full legal capacity and power to perform all of its rights and obligations under the Application Form;

(f) acknowledges that once the Application Form is returned or payment is made its acceptance may not be varied or withdrawn;

(g) agrees to being issued the number of new securities that it applies for (or such other number issued in accordance with this Prospectus);

(h) authorises the Company to register it as the holder(s) of the Securities issued to it under the applicable Offer;

(i) acknowledges that the information contained in this Prospectus is not investment advice or a recommendation that the New Shares and New Options are suitable for it, given its investment objectives, financial situation or particular needs; and

(j) authorises the Company and its officers or agents to do anything on its behalf necessary for the new securities to be issued to it, including correcting any errors in its Application Form or other form provided by it and acting on instructions received by the share registry using the contact details in the Application Form.

1.19 Taxation

It is the responsibility of all persons to satisfy themselves of the particular taxation treatment that applies to them by consulting their own professional tax advisers. Taxation consequences will depend on particular circumstances. Neither the Company nor any of its officers accept any liability or responsibility in respect of the taxation consequences of the matters referred to above or any other taxation consequences connected with an investment in the securities of the Company.

1.20 Privacy Disclosure

If you complete an application for Securities, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Options, the Company may not be able to accept or process your application.

1.21 Enquiries

This document is important and should be read in its entirety. Persons who are in any doubt as to the course of action to be followed should consult their stockbroker, solicitor, accountant or other professional adviser without delay.

If you have any questions regarding your Entitlement or the Offer, please contact the Company Secretary on 08 6559 1792 from 8:30am (WST) to 5:00pm (WST), Monday to Friday.

2. RISK FACTORS

2.1 Introduction

The Securities offered under this Prospectus should be considered speculative because of the nature of the Company's business.

Whilst the Directors recommend that Shareholders take up their entitlement to Securities, there are however numerous risk factors involved. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated. Accordingly, an investment in the Company carries no guarantee with respect to the payment of dividends, return of capital or price at which the New Shares and New Options will trade (subject to satisfying ASX of the quotation requirements).

The following is a summary of the more material matters to be considered and should be read in conjunction with specific matters referred to in the Company's announcements and reports. However, the summary is not exhaustive and potential investors should examine the contents of this Prospectus in its entirety and consult their professional advisors before deciding whether to apply for the Securities.

2.2 Company specific

(a) **Tenement title and applications**

Australia

As at the date of this document the Company's mining tenements in Australia are all granted and in good standing.

Exploration tenements are subject to periodic renewal and are subject to the Mining Act where the tenement holder has certain obligations in relation to the maintenance of the Tenement, including the payment of annual rents, meeting prescribed expenditure commitments and satisfying other conditions imposed upon the Tenements. There is no guarantee that future applications or tenement renewal will be granted. If the conditions that apply to a tenement are not satisfied, the Company may be subject to penalties or forfeiture applications.

Canada

As at the date of this document the Company's mining Claims in Canada are all granted and in good standing.

The Company's operations are subject to receiving and maintaining licences and permits from appropriate governmental authorities. There is no assurance that delays will not occur in connection with obtaining all necessary grants or renewals of licences/permits for the proposed operations, additional licences/permits for any possible future changes to operations, or additional permits associated with new legislation. Prior to any development of any of its properties, the Company must receive licences/permits from appropriate governmental authorities. There is no certainty that the Company will hold all licences/permits necessary to develop or continue operating at any particular property.

Furthermore, while the Company has investigated its title to the Claims and believes the Claims are in good standing, there can be no assurance that the Company's rights with respect to the Claims will not be challenged or impugned by third parties, or that the Claims will be subject to unregistered encumbrances or interests of third parties.

(b) **Tenement access (Private Land)**

Where a tenement is located on private land the Mining Act stipulates that unless the Company has the consent of owner and the occupier of that private land the tenement is not granted in respect of areas that are within 30 metres of the natural surface of the land. Accordingly, the Company is only granted sub-surface rights to its tenements over those areas unless it obtains that consent.

Further, the Mining Act provides that no mining activities may be conducted on or within 30 metres of the natural surface of any private land unless the tenement holder has paid compensation to, or made an agreement to pay compensation to, the owner and occupier of the private land. The Company is however entitled to carry out airborne surveys on the tenements without the consent of, or agreement with, the private land owners and occupiers.

Sultan must obtain the consent of each owner and occupier of private land affected by its tenements, including reaching agreement as to compensation payable to the landowner, before entering onto private land to carry out exploration.

In the event that Sultan is unable to reach a compensation agreement with an owner of private land, Sultan will look to mitigate this risk by reassessing its intended exploration targets and advancing its exploration program on the tenements which Sultan has secured private land access agreements.

In addition to the risks associated with access to areas of private land noted above, some other areas of the tenements might be the subject of other land uses (including reserves) or environmental restrictions. The terms of grant of tenements over these types of land might contain stringent conditions relating to access and ground disturbing activities that the Company will need to comply with and may require additional regulatory consents being obtained prior to access. The Company might experience delays and cost overruns in the event it is unable to access the land required for its operations for other reasons. This may be a result of adverse weather, environmental restraints, private land, native title or Aboriginal heritage issues, the need for regulatory approvals and consents or other factors.

(c) **Tenement access (Native Title and Aboriginal Heritage)**

The effect of present laws in respect of native title that apply in Australia is that mining tenements (including applications for mining tenements) may be affected by native tile claims or procedures, which may prevent or delay the granting of mining tenements, or affect the ability of the Company to explore and develop the mining tenements.

The Company's tenements are subject to native title claims. Commonwealth and State legislation obliges the Company to identify and protect sites of significance to Aboriginal custom and tradition. Some sites of significance may be identified within the areas of the tenements. The Company's policy is to comply with its existing Aboriginal heritage agreements and carry out heritage clearance surveys prior to conducting exploration in appropriate circumstances.

Specifically, holders of mining tenements in Western Australia are subject to the *Aboriginal Heritage Act 1972* (WA) (**WA Heritage Act**), which protects sites that may be of spiritual, cultural or heritage significance to Aboriginal people (**Aboriginal**

Site). The Western Australia Department of Planning, Land and Heritage (which incorporates the former Department of Aboriginal Affairs) maintains a register of Aboriginal Sites but registration of an Aboriginal Site is not required by the WA Heritage Act.

To alter or damage an Aboriginal Site is an offence under the WA Heritage Act that can lead to prosecution (unless approval has been obtained under the WA Heritage Act). Any party disturbing an area of the State has an obligation to avoid interfering with an Aboriginal Site. To satisfy this obligation, tenement holders commonly undertake Aboriginal heritage surveys which involve the relevant traditional owners and as necessary, an archaeologist or anthropologist walking the land identifying sites and discussing the impact of proposed exploration activity. The costs of a heritage survey are met by the tenement holder.

Before carrying out exploration activity on those Tenements which are subject to a Heritage Agreement, Sultan must notify the claimant group of the details of such exploration and give the claimant group the right to carry out a heritage survey over the land to determine if any sites or objects of significance exist. The Company must meet all of the claimant group's costs in carrying out such survey.

Sultan will be bound to follow the standard procedures set out in the Indigenous Land Use Agreement to ensure site or objects of significance to aboriginal people are identified before carrying out any ground disturbing works on those tenements which are subject to ILUAs.

The Company might experience delays and cost overruns in the event it is unable to access the land required for its operations for these reasons.

The Company has sufficient access to the Australian exploration projects to carry out its intended exploration program.

(d) **Tenement risk (Canada)**

Land access is critical for exploration and/or exploitation to succeed. It requires both access to the mineral rights and access to the surface rights.

Mineral rights may be negotiated and acquired. In all cases the acquisition of prospective exploration and mining licences is a competitive business, in which proprietary knowledge or information is critical and the ability to negotiate satisfactory commercial arrangements with other parties is often essential. The Company may not be successful in acquiring or obtaining the necessary licences to conduct exploration or evaluation activities outside of the mineral claims that it already owns.

Access to land for exploration and evaluation purposes can be obtained by private access and compensation agreement with the landowner; purchase of surface rights; or through judicial rulings. However, access rights to the licences can be affected by many factors including:

(i) regional restrictions on mineral exploration as a result of land use agreements with local communities and First Nations, or infrastructure works such as hydroelectric installations;

(ii) surface title land ownership negotiations, which are required before ground disturbing exploration activities can commence within the jurisdiction where the Company operates;

(iii) permitting for exploration activities, which are required in order to undertake most exploration and exploitation activities within the jurisdictions where the Company operates; and

(iv) natural occurrences including inclement weather, volcanic eruptions, lahars and earthquakes.

All of these issues have the potential to delay, curtail and preclude the Company's operations. Whilst the Company will have the potential to influence some of these access issues, and retain staff to manage those instances where negotiations are required to gain access, is not possible for the Company to predict the extent to which the abovementioned risks and uncertainties may adversely impact on the Company's operations.

The Company has sufficient access to the Canadian Projects to carry out its intended exploration program.

(e) **First Nations risk (Canada)**

Certainty of the Canadian Projects may now or in the future be subject to First Nations land claims. The legal nature of First Nations land claims is a matter of considerable complexity, The impact of any such claim on the Company's material interest in the Canadian Projects and/or potential ownership interest in the Canadian Projects in the future, cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of First Nations rights in the areas in which the Canadian Projects are located, by way of negotiated settlements or judicial pronouncements, would not have an adverse effect on the Company's activities. Even in the absence of such recognition, the Company may at some point be required to negotiate with and seek the approval of holders of First Nations interest in order to facilitate exploration and development work on the Company's mineral properties, and there is no assurance that the Company will be able to establish practical working relationships with the First Nations in the area which would allow it to ultimately develop the Company's mineral properties.

(f) **Royalties**

The Company's mining projects may be subject to State royalties. In the event that State royalties are increased in the future, the profitability and commercial viability of the Company's projects may be negatively impacted.

(g) **Exploration risks**

The undertaking of mineral exploration is a high-risk business. All of the Company's projects are at a very early exploration stage and no mineral resources have been identified on any of the tenements. There is no guarantee that the exploration of these tenements will be successful and result in the discovery of an economically viable Mineral Resource.

The Company's future exploration activities may be affected by a range of factors including geological conditions, limitations on activities due to seasonal or adverse weather conditions, unanticipated operations or technical difficulties, availability of suitable equipment and personnel, land access and environmental issues.

(h) **Limited history**

The Company has a limited operating history and limited historical financial performance. No assurance can be given that the Company will establish a resource or reserve in accordance with the JORC Code. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

(i) **Reliance on key personnel**

The Company's operational success will depend substantially on the continuing efforts of senior executives. The loss of services of one or more senior executives may have an adverse effect on the Company's operations. Furthermore, if the Company is unable to attract, train and retain key individuals and other highly skilled employees and consultants, its business may be adversely affected.

(j) **Additional requirements for capital**

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to maintain its funds and/or generate income from its operations, the Company may require further financing in the future. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back exploration expenditure as the case may be.

(k) **Potential acquisitions**

As part of its business strategy, the Company may make acquisitions of, or significant investments in, complementary companies or prospects although no such acquisitions or investments are currently planned. Any such transactions will be accompanied by risks commonly encountered in making such acquisitions.

(l) **Reports regarding the Company and its projects**

If securities or industry analysts do not publish or cease publishing research or reports about the Company, its business or its market, or if they change their recommendations regarding the Company's Shares adversely, the price of its Shares and trading volumes could be adversely affected.

The market for the Company's Shares trading on ASX may be influenced by any research or reports compiled by securities or industry analysts. If any of the analysts who may cover the Company and its products change previously disclosed recommendations on the Company or for that matter its competitors, the price of its Shares may be adversely affected.

(m) **The Company does not expect to declare any dividends in the foreseeable future**

The Company does not anticipate declaring or paying any dividends to Shareholders in the foreseeable future. Consequently, investors may need to rely on sales of their Shares to realise any future gains on their investment.

(n) **If the Company's goodwill or intangible assets become impaired, it may be required to record a significant change to earnings)**

Under generally accepted accounting principles, the Company reviews its intangible assets for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. Goodwill is required to be tested for impairment at least annually.

(o) **Results of studies**

In the future, subject to the results of exploration and testing programs, the Company may undertake various studies on the Company's projects, including scoping, pre-feasibility, definitive feasibility and bankable feasibility studies

These studies will be completed within parameters designed to determine the economic feasibility of the Company's projects within certain limits. There can be no guarantee that any of the studies will confirm the economic viability of the Company's projects or the results of other studies undertaken by the Company (e.g. the results of a Scoping Study may materially differ to the results of a feasibility study).

If a study determines the economics of the Company's projects, there can be no guarantee that the project will be successfully brought into production. The ability of the Company to complete a study may be dependent on the Company's ability to raise the necessary funds to complete the study if required.

If the Company's exploration programmes and/or studies prove to be unsuccessful this could lead to a diminution in value of its projects, a reduction in the cash reserves of the Company and the possible relinquishment of one or more of its tenements.

(p) **Exploration costs**

The exploration costs of the Company have been estimated based on certain assumptions including with respect to the method and timing of exploration and these assumptions are subject to significant uncertainties. Actual exploration costs may differ materially from these estimates. As such, no assurance can be given that the cost estimates and the underlying assumptions will be realised. The Company may be materially and adversely affected if the actual costs are substantially greater than the estimated costs.

(q) **Exploration targets, resources and reserves**

In the future, the Company may identify exploration targets based on geological interpretations, geophysical data, geochemical sampling and historical drilling. In that case, insufficient data may exist to provide certainty over the extent of any mineralisation. Accordingly, no assurances can be given that any additional exploration will result in the determination of a mineral resource on any of the exploration targets identified. Even if a mineral resource is identified no assurance can be provided that an ore reserve will be subsequently defined and economically mined.

If a mineral resource or ore reserve estimate is made in the future, these estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when initially calculated may alter significantly when new information or techniques become available. In addition, by their very nature resource and reserve estimates are imprecise and depend to some extent on interpretations which may prove to be inaccurate.

(r) **Development and operational risks**

By its very nature, mine development contains significant risk with no guarantee of success. Therefore, even if a potentially economic mineral deposit is identified by the Company in the future, there is no guarantee that it can be developed and economically exploited. The ultimate economic development of a mineral deposit is dependent on many factors such as the delineation of economically recoverable ore reserve, access to adequate capital for project development, construction of infrastructure within capital budgets, securing and maintaining title to appropriate mining tenements, obtaining regulatory consents and approvals necessary for the conduct of development and production, securing plant and equipment and access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants.

Further, once established, mining operations can be impacted by a number of factors, including geological and weather conditions causing delays and interference to operations, insufficient quantities of ore to support a commercially viable operation, access to necessary funding, metallurgical issues, mechanical failure of plant and equipment, shortages or increases in price of consumables and plant and equipment, environmental hazards, fires, explosions and other accidents.

These factors may affect the Company’s ability to establish mining operations, continue with its projects and earn income from its operations and will affect the Company’s Share price. Similarly, all production costs, particularly labour, fuel and power, are a key risk and have the potential to adversely affect the Company’s profitability, project value and in turn the value of Shares.

(s) **Environmental and approvals risk**

The Company’s operations are subject to environmental regulations at both a State and Federal level. As with most exploration projects and mining operations, the Company’s activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company’s intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company’s ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company’s operations more expensive.

Approvals are required for land clearing and for ground disturbing activities. Delays or failure to obtain such approvals can result in the delay to anticipated exploration programmes or mining activities. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions (including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed) and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions.

(t) **Equipment and availability**

The Company's ability to undertake mining and exploration activities is dependent upon its ability to source and acquire appropriate mining equipment. Equipment is not always available and the market for mining equipment experiences fluctuations in supply and demand. If the Company is unable to source appropriate equipment economically or at all then this would have a material adverse effect on the Company's financial or trading position.

(u) **Land rehabilitation requirements**

Although variable, depending on location and the governing authority, land rehabilitation requirements are generally imposed on mineral exploration companies, as well as companies with mining operations, in order to minimise long term effects of land disturbance. Rehabilitation may include requirements to control dispersion of potentially deleterious effluents and to reasonably re-establish pre-disturbance land forms and vegetation. In order to carry out rehabilitation obligations imposed on the Company in connection with its mineral exploration, the Company must allocate financial resources that might otherwise be spent on further exploration and/or development programs.

(v) **Safety risks**

Safety is a fundamental risk for any exploration and production company in regards to personal injury, damage to property and equipment and other losses. The occurrence of any of these risks could result in legal proceedings against the Company and substantial losses to the Company due to injury or loss of life, damage to or destruction of property, regulatory investigation, and penalties or suspension of operations. Damage occurring to third parties as a result of such risks may give rise to claims against the Company.

2.3 General risks

(a) **General economic climate**

Factors such as inflation, currency fluctuation, interest rates and supply and demand have an impact on operating costs, commodity prices and stock market prices. The Company's future revenues and securities price may be affected by these factors, as well as by fluctuations in the price of commodities, which are beyond the Company's control.

(b) **Changes in legislation and Government regulation**

Government legislation in Australia or any other relevant jurisdiction, including changes to the taxation system, may affect future earnings and relative attractiveness of investing in the Company. Changes in government policy or statutory changes may affect the Company and the attractiveness of an investment in it.

(c) **Competition for projects**

The Company competes with other companies, including mineral exploration and production companies. Some of these companies have greater financial and other resources than the Company. As a result, such companies may be in a better position to compete for future business opportunities and there can be no assurance that the Company can effectively compete with these companies. In the event that the Company is not able to secure a new project or business opportunity this may have an adverse effect on the operations of the Company, its possible future profitability and the trading price of its securities, including the Shares offered under the Offer.

(d) **Commodity price volatility and Exchange rate risk**

If the Company achieves success leading to mineral production, the revenue it will derive through the sale exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors. Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

(e) **Share market conditions**

The market price of the Company's securities may be subject to varied and unpredictable influences on the market for equities in general and resources stocks in particular.

(f) **Insurance**

Insurance of all risks associated with mineral exploration and production is not always available and where available, the costs can be prohibitive. The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

(g) **Speculative nature of investment**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under the Offer. Therefore, the Shares offered pursuant to the Offer carry no guarantee with respect to the payment of dividends, returns of capital or the market value of the Shares.

2.4 Speculative Investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus.

The Securities offered under this Prospectus carry no guarantee in respect of value, profitability, dividends, return of capital or the price at which the New Shares and New Options (subject to satisfying ASX of the quotation requirements set out in Chapter 2 of the ASX Listing Rules) may trade on the ASX or the underlying Shares on exercise of the New Options.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

3. PURPOSE AND EFFECT OF THE OFFER

3.1 Purpose of the Offer

The purpose of the Offer is to raise up to approximately $691,553 (before costs). The funds raised from the Offer are intended to be used in accordance with the table set out below:

Item	Amount ($)	Proportion (%)
Groundwork for Canadian Lithium assets	$250,000	36.15%
Preparation for drilling at Kulin Hill prospect	$25,000	3.62%
Estimated costs of the Offer[1]	$182,387	26.37%
Working capital[2]	$234,166	33.86%
Total	**$691,553**	**100%**

Notes:

1. Refer to Section 5.12 of this Prospectus for details regarding the estimated expenses of the Offer.
2. Funds allocated to working capital will be used for future administration expenses of the Company including administration fees, Directors' remuneration and other administration and corporate overheads.

The above table is a statement of current intentions as at the date of this Prospectus. As with any budget, intervening events (such as project and general market risk factors affecting the Company) and new circumstances have the potential to affect the ultimate way funds will be applied. The Directors reserve the right to alter the way funds are applied on this basis.

On completion of the Offer, the Board believes the Company will have sufficient working capital to achieve its stated objectives.

3.2 Effect of the Offer

The principal effect of the Offer, assuming all Securities offered under the Prospectus are issued, will be to:

(a) increase cash reserves by approximately $507,966 (after deducting estimated cash expenses of the Offer) immediately after completion of the Offer;

(b) increase the number of Shares on issue from 148,190,049 as at the date of this Prospectus to 197,586,732 Shares; and

(c) increase the number of Options on issue from 25,950,000 as at the date of this Prospectus to 68,881,122 Options.

A Summary of all the Shares and Options the Company will have on issue after the Offer is outlined in Section 3.4.

3.3 Pro-forma statement of financial position

Set out in Annexure A is an unaudited pro-forma statement of financial position of the Company prepared using the audited statement of financial position of the Company as at

30 June 2023 and on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma statement of financial position has been prepared assuming all Entitlements are accepted, no Options or convertible securities are exercised prior to the Record Date and including expenses of the Offer.

The unaudited pro-forma statement of financial position has been prepared for illustrative purposes only and gives effect to the transactions described in the notes to the pro-forma statement of financial position and the assumptions described therein as if they had occurred as of 30 June 2023. The historical and pro-forma financial information is presented in abbreviated form, insofar as it does not include all of the disclosures required by the Australian Accounting Standards applicable to annual financial statements.

3.4 Effect on capital structure

The effect of the Offer on the capital structure of the Company, assuming all Securities offered under the Prospectus are issued (ignoring the effects of rounding of fractional Entitlements, and assuming no Options or convertible securities are exercised prior to the Record Date), is set out below.

Security	Number[5]
Shares[1]	
Shares on issue as at the date of this Prospectus	148,190,049
New Shares to be issue pursuant to the Offer[2]	49,396,683
Total Shares on issue on completion of the Offer	**197,586,732**
Options	
Unlisted Options on issue as at the date of this Prospectus[3]	25,950,000
New Options to be issued pursuant to the Offer[4]	16,465,561
New Options to be issued pursuant to the Underwriter Offer[4,5]	16,465,561
New Options to be issued pursuant to the Joint Lead Manager Offer[4,6]	10,000,000
Total Options on issue on completion of the Offer	**68,881,122**

Notes:

1. The rights and liabilities attaching to the Shares are summarised in Section 4.1.
2. Based on the capital structure of the Company as at the date of this Prospectus , approximately 49,396,683 New Shares and 42,931,122 New Options will be issued pursuant to the Offer, Underwriter Offer and Joint Lead Manager Offer to raise up to approximately $691,553 (before costs).
3. A total of 25,950,000 across two (2) separate classes:
   a. 17,200,000 Options exercisable at $0.11 and expiring on 31 December 2027; and
   b. 8,750,000 Options exercisable at $0.075 and expiring on 30 June 2027.
4. Exercisable at $0.03 and expiring three (3) years from the date of issue. The full terms and conditions of the New Options to be issued pursuant to the Offer are set out in Section 4.2.

5. The Company has agreed to issue the Underwriters (or their nominee/s) one (1) New Option for every three (3) Shares underwritten being 16,465,561 New Options. This figure includes 952,380 New Options to be issued (subject to Shareholder approval) pursuant to the Director Sub-Underwriting Agreement.
6. The issue of the Joint Lead Manager Options is subject to the Company receiving Shareholder approval.

3.5 Details of substantial holders

Based on public information as at the date of this Prospectus, the persons who (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Mr Luo Qi	10,372,994	7.00%

In the event all Entitlements are accepted there will be no changed to the substantial holders on completion of the Offer. It is noted that, dependent on the amount of any Shortfall, the Underwriter may end up becoming a substantial Shareholder in the Company. Changes in the Underwriter's relevant interest following completion of the Offer under various scenarios are set out in Section 1.9.

3.6 Underwriting and sub-underwriting

The Offer is fully underwritten by Still. The terms of the Underwriter's appointment and total fees payable are set out in Section 5.4 below.

The Underwriter has entered into a number of sub-underwriting agreements in respect of the Shortfall Securities, including the Director Sub-Underwriting Agreement with Company Director, Mr King.

No sub-underwriter will increase their shareholding to above 19.99% as a direct result of the issue of Securities under the Offer. Where Shares are issued pursuant to the exercise of New Options, the voting power of the sub-underwriters who exercise their New Options will increase. The likelihood of New Options being exercised is dependent on the price of Shares from time to time until the New Options expire.

Refer to Section 5.5 for further detail of the Director Sub-Underwriting Agreement.

4. RIGHTS ATTACHING TO SECURITIES

4.1 Rights and liabilities attaching to Shares

The following is a summary of the more significant rights and liabilities attaching to the Shares. All New Shares issued under this Prospectus (and on exercise of the New Options) will rank equally in all respects with the Company's existing Shares.

This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice. Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) **General meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with Section 249D of the Corporations Act and the Constitution.

(b) **Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

(i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;

(ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and

(iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid Shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) **Dividend rights**

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the assets of the Company must be applied in repayment to Shareholders in proportion to their respective holdings.

At the commencement of a winding up, Shares which are classified by ASX as restricted securities, which are subject to escrow restrictions, will rank behind all other Shares on a return of capital.

(e) **Shareholder liability**

As the Shares under the Prospectus are fully paid shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of Shares**

Subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the ASX Listing Rules, the Shares are freely transferable.

(g) **Variation of rights**

Pursuant to Section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary the rights attaching to Shares.

If at any time the share capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(h) **Alteration of Constitution**

The Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

4.2 Terms and conditions of New Options

(a) **Entitlement**

Each New Option entitles the holder to subscribe for one (1) Share upon exercise of the New Option.

(b) **Exercise Price**

Subject to paragraph (j), the amount payable upon exercise of each New Option is $0.03 (**Exercise Price**).

(c) **Expiry Date**

Each New Option will expire at 5:00 pm (WST) three (3) years from the date of issue. A New Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The New Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The New Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each New Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each New Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Following the Exercise Date and within the time period specified by the ASX Listing Rules, the Company will:

(i) issue the number of Shares required under these terms and conditions in respect of the number of New Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

(ii) if required, give ASX a notice that complies with section 708A(5)€ of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

(iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the New Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the

Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Quotation of New Options**

The Company will seek quotation of the New Options in accordance with the Listing Rules and Corporations Act, subject to satisfaction of the minimum quotation conditions of the ASX Listing Rules. In the event that quotation of the New Options cannot be obtained, the New Options will remain unquoted.

(i) **Shares issued on exercise**

Shares issued on exercise of the New Options rank equally with the then issued shares of the Company.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of a holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) **Participation in new issues**

There are no participation rights or entitlements inherent in the New Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the New Options without exercising the New Options.

(l) **Transferability**

The New Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

5. ADDITIONAL INFORMATION

5.1 Nature of this Prospectus

This Prospectus is issued under the special prospectus content rules for continuously quoted securities in section 713 of the Corporations Act. This enables listed disclosing entities, such as the Company, to issue a prospectus for continuously quoted securities (and options to acquire continuously quoted securities) with modified disclosure requirements if they satisfy certain requirements.

The information in this Prospectus principally concerns the terms and conditions of the Offer and the information reasonably necessary to make an informed assessment of:

(a) the effect of the Offer on the Company; and

(b) the rights and liabilities attaching to the New Shares and New Options offered pursuant to this Prospectus (and the underlying Shares issued on exercise of the New Options).

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospects for an initial public offering securities in an entity that is not already listed on a stock exchange. Shareholders should therefore also have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest in the Company.

5.2 Continuous reporting and disclosure obligations

As the Company is admitted to the official list of ASX, the Company is a “disclosing entity” for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose to the market any information it has which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

Price sensitive information is publicly released through ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants is also managed through disclosure to ASX. In addition, the Company posts information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

Investors are encouraged to check and monitor any further announcements made by the Company to ASX prior to securities being issued under the Offer. To do so, please refer to the Company’s ASX announcements platform via www.asx.com.au.

By virtue of section 713 of the Corporations Act, the Company is entitled to issue a “transaction-specific” prospectus in respect of the Offer.

In general terms, a “transaction-specific prospectus” is only required to contain information in relation to the effect of the issue of securities on the Company and the rights and liabilities attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position and performance, profits and losses or prospects of the issuing company.

As a disclosing entity under the Corporations Act, the Company states that:

(a) it is subject to regular reporting and disclosure obligations;

(b) copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an office of ASIC; and

(c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:

    (i) the annual financial report of the Company for the financial year ended 30 June 2023;

    (ii) any half-year financial report of the Company lodged with ASIC after the lodgement of the annual financial report referred to above and before the lodgement of this Prospectus with ASIC; and

    (iii) all continuous disclosure notices given by the Company after the lodgement of the annual financial report referred to above and before the lodgement of this Prospectus with ASIC (see below).

As at the date of this Prospectus, there is no information which has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules that investors or their professional advisers:

(a) would reasonably require for the purpose of making an informed assessment of:

    (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and

    (ii) the rights and liabilities attaching to the Securities the subject of this Prospectus; and

(b) would reasonably expect to find in this Prospectus.

This Prospectus contains information specific to the Offer. If investors require further information in relation to the Company, they are recommended to take advantage of the opportunity to inspect or obtain copies of the documents referred to above.

The following announcements have been lodged with ASX in respect of the Company since the Company lodged its annual financial report for the financial year ended 30 June 2023 on 28 September 2023.

Date	Title
6 February 2024	Entitlement Issue Prospectus
6 February 2024	Proposed Issue of securities – SLZ
6 February 2024	Proposed Issue of securities – SLZ
6 February 2024	Non-Renounceable Entitlement Offer to Raise $691,553
2 February 2024	Trading Halt
30 January 2024	Quarterly Activities/Appendix 5B Cash Flow Report
14 December 2023	Calesi Nickel Prospect Update

Date	Title
12 December 2023	Change of Director's Interest Notice
12 December 2023	Notification regarding unquoted securities - SLZ
12 November 2023	Results of Meeting
31 October 2023	Quarterly Activities/Appendix 5B Cash Flow Report
24 October 2023	Em Survey Confirms Significant Geophysical Anomaly
20 October 2023	Appendix 4G and Corporate Governance Statement
20 October 2023	Letter to Shareholders
28 September 2023	Notice of Annual General Meeting/Proxy Form
28 September 2023	Annual Report to Shareholders

5.3 Market Price of Shares

The highest and lowest closing prices of Shares on the ASX during the three (3) months preceding the date of this Prospectus, and the closing price on the trading day before the date of this Prospectus, are set out below.

	Price	Date
Highest	$0.024	18 & 19 December 2023
Lowest	$0.013	8 December 2023
Last	$0.016	5 February 2024

5.4 Underwriting Agreement

By an agreement between Still and the Company (**Underwriting Agreement**), Still has agreed to fully underwrite the Offer up to the value of $691,553 (being the total amount to be raised under the Offer).

The Underwriter and the Company may appoint sub-underwriters to sub-underwrite the Offer, subject to ensuring that no sub-underwriter (together with their associates) acquires a relevant interest in more than 19.99% of the issued share capital of the Company.

The Underwriter has entered into a sub-underwriting agreement with Director, Jeremy King. Refer to Section 5.5 for details regarding the terms of the Director Sub-Underwriting Agreement.

Pursuant to the Underwriting Agreement, the Company has agreed to compensate Still (and/or its nominees) as follows:

(a) pay an underwriting fee of 5% (plus GST) of the total amount raised under the Offer (totalling approximately $34,577 excluding GST); and

(b) one (1) New Option for every three (3) New Shares underwritten by the Underwriter, representing 16,465,561 New Options.

Still will be responsible for any cash fees payable to any sub-underwriters or other brokers involved in the Offer and introduced by Still (including to Mr King and the Joint Lead Managers). Further, the Underwriter Options may be granted to parties that assist with raising funds under the Offer.

The obligation of Still to underwrite the Offer is subject to the satisfaction of the following conditions precedent:

(a) the Company lodging a prospectus in relation to the Offer with ASIC on or prior to 6 February 2024;

(b) the Underwriter confirming it agrees to the content of the Prospectus with such agreement to be evidenced by the Underwriter giving its consent to be named in this Prospectus prior to 6 February 2024; and

(c) no Termination Event (as that term is defined below) occurring.

The Underwriter may terminate the Underwriting Agreement if any of the following events occur prior to 22 February 2024, unless one or more Termination Events have been previously announced by the Company on the ASX or otherwise notified to the Underwriter (**Termination Event**):

(a) Prospectus: Any of the following occurs in relation to the Prospectus:

    (i) it is not lodged with the ASIC by 6 February 2024 (or such later date agreed in writing by the Underwriter); or

    (ii) the ASIC makes an order under section 739 of the Corporations Act and such order is not lifted within 30 days;

(b) ASX listing: ASX does not give approval for the Shares to be listed for official quotation, or if approval is granted, the approval is subsequently withdrawn, qualified or withheld;

(c) Index changes: The All Ordinaries Index or the S&P/ASX Small Ordinaries Index as published by ASX is at any time after the date of the Underwriting Agreement is 10% or more below its respective level as at the close of business on the Business Day prior to the date of the Underwriting Agreement;

(d) Share price fall: The share price of the Company's shares, as quoted on ASX, closes at 10% or more below the Issue Price on any 2 consecutive trading days before the shortfall notice deadline date;

(e) Return of capital or financial assistance: The Company or a Related Body Corporate takes any steps to undertake a proposal contemplated under section 257A of the Corporations Act or passes or takes any steps to pass a resolution under section 260B of the Corporations Act, without the prior written consent of the Underwriter;

(f) Alteration of capital structure or Constitution: Except as described in the Prospectus, the Company alters its capital structure or its Constitution without the prior written consent of the Underwriter such consent not to be unreasonably withheld;

(g) Default: The Company is in material default of any of the terms and conditions of this Underwriting Agreement or breaches any warranty or covenant given or made by it under the Underwriting Agreement (in any material respect);

(h) Event of Insolvency: An event of insolvency occurs in respect of it or a Related Body Corporate;

(i) Prescribed Occurrence: A prescribed occurrence occurs, other than as disclosed in the Prospectus;

(j) Suspension of debt payments: The Company suspends payment of its debts generally;

(k) Change in shareholdings: A takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to the Company and is recommended for approval by a majority of independent directors of the Company;

(l) Due diligence: There is a material omission from the results of the due diligence investigation performed in respect of the Offer or the results of the investigation or the verification material are false or misleading;

(m) Adverse change: Any adverse change occurs which materially impacts or is likely to impact the assets, operational or financial position of the Company or a Related Body Corporate (including but not limited to an administrator, receiver, receiver and manager, trustee or similar official being appointed over any of the assets or undertaking of the Company or a Related Body Corporate);

(n) Investigation: Any person is appointed under any legislation in respect of companies to investigate the affairs of the Company or a Related Body Corporate;

(o) Extended Force Majeure: A Force Majeure which prevents or delays an obligation under the Underwriting Agreement, lasting in excess of 2 weeks occurs;

(p) Indictable offence: A director of the Company or any Related Body Corporate is charged with an indictable offence;

(q) Banking facilities: The Company's bankers terminating or issuing any demand or penalty notice or amending the terms of any existing facility or claiming repayment or accelerated repayment of any facility or requiring additional security for any existing facility; or

(r) Supplementary Prospectus: The Underwriter reasonably forms the view that a supplementary or replacement document (as appropriate) must be lodged with ASIC under section 719 or section 724 of the Corporations Act and the Company does not lodge a supplementary or replacement document (as the case may be) in the form and content and within the time reasonably required by the Underwriter.

The Underwriting Agreement otherwise contains terms which are customary for an agreement of this nature.

The Underwriting Agreement also contains a number of indemnities, representations and warranties from the Company to Still that are considered standard for an agreement of this type.

5.5 Director Sub-Underwriting Agreement

The Underwriter has entered into the Director Sub-Underwriting Agreement in respect of the Shortfall Securities with Mr King, pursuant to which he has agreed to sub-underwrite the Offer on the following material terms:

(a) Mr King agrees to sub-underwrite $40,000 (2,857,142 Shares and 952,380 New Options);

(b) Mr King will receive a fee of 3% (plus GST) of the General Sub-Underwriting Commitment (representing $1,200 plus GST);

(c) Mr King (or his nominees) will receive (subject to Shareholder approval) 952,380 New Options as consideration for sub-underwriting the Offer, which represents one (1) New Option for every three (3) New Shares he agreed to sub-underwrite; and

(d) the Director Sub-Underwriting Agreement shall terminate if the Underwriters' obligations under the Underwriting Agreement cease or are terminated.

The Director Sub-Underwriting Agreement are otherwise made on terms and conditions considered standard for an agreement of this nature.

5.6 Joint Lead Manager Mandate

The Company has entered into a mandate with Xcel Capital and ARQ Capital to act as joint lead managers to the Offer (**Joint Lead Manager Mandate**). In accordance with the Joint Lead Manager Mandate, the Company has agreed to pay the following fees to the Joint Lead Managers (and/or its nominees):

(a) pay a management fee of $60,000 (plus GST) for its services in managing the Offer; and

(b) subject to shareholder approval, 10,000,000 Options issued on the same terms as the New Options.

The Joint Lead Managers are also entitled to be reimbursed for reasonable costs and expenses incidental to the Offer.

The Joint Lead Manager Mandate may be terminated by the parties by mutual agreement.

The Company has agreed to offer the Joint Lead Managers the lead role in any further equity capital raisings conducted within eighteen (18) months of the Offer completing, subject to competitive terms in respect of pricing, fees and timing relative to market practices at the time.

The Joint Lead Manager Mandate otherwise contains terms and conditions considered standard for an agreement of this nature.

5.7 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

5.8 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director has, or had within two years before lodgement of this Prospectus with ASIC, any interest in:

(a) the formation or promotion of the Company;

(b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offer; or

(c) the Offer,

and no amounts have been paid or agreed to be paid (in cash or securities or otherwise) and no benefits have been given or agreed to be given to any Director:

(a) to induce him to become, or to qualify him as, a Director; or

(b) for services rendered by him in connection with the formation or promotion of the Company or the Offer.

Remuneration

The remuneration (including superannuation and the notional value of share options) paid to the Directors for the two financial years prior to the date of this Prospectus, and proposed to be paid to the Directors for the current financial year (on an annualised basis), is set out below.

Director	FY 2022	FY 2023	FY 2024
Jeremy King[1]	$66,000	$245,579	$66,600
Steven Groves[2]	$193,236	$47,200	$44,400
David Ian Lees[3]	$44,000	$98,819	$44,400

Notes:

1 Mr King was appointed as Non-Executive Chairman on 1 June 2018 and is entitled to receive $60,000 per annum plus superannuation. Mr King also received consulting fees for additional services provided to the Company including project management for the acquisition of the Canadian lithium assets and farm-in transaction with Rio Tinto valued at $40,000 and share option based payments notionally valued at $139,279 during the financial year ended 30 June 2023.

2 Mr Groves was appointed as Non-Executive Director on 1 June 2018 and is entitled to receive $40,000 per annum plus superannuation. Mr Groves' also received consulting fees for additional exploration services provided to the Company valued at $3,000 during the financial year ended 30 June 2023.

3 Mr Lees was appointed as Non-Executive Director on 13 March 2019 and is entitled to receive $40,000 per annum plus superannuation. Mr Lees also received share option based payments notionally valued at $54,619 during the financial year ended 30 June 2023.

Further information relating to the remuneration of Directors can be found in the Company's annual financial report for the financial year ended 30 June 2023, which was announced to ASX on 30 September 2023.

Securities

The securities in which the Directors and their associates have or are proposed to have relevant interests in at the date of this Prospectus are set out below.

Director	Shares	Options	Entitlement to New Shares	Entitlement to New Options
Jeremy King[1]	700,144	3,800,000	233,381	77,793
Steven Groves[2]	150,000	-	50,000	16,666
David Ian Lees[3]	956,868	1,000,000	318,956	106,318

Notes:

1. 1,250,000 unquoted Options exercisable at $0.075 and expiring 30 June 2027 are held directly by Mr King. 700,144 Shares and 2,550,000 unquoted Options exercisable at $0.11 and expiring on 31 December 2027 are held indirectly via Bushwood Nominees Pty Ltd (a company of which Mr King is a director and shareholder).
2. 150,000 Shares held directly by Mr Groves.
3. 120,000 Shares held directly by Mr Lees. 836,868 Shares and 1,000,000 unquoted Options exercisable at $0.11 and expiring 31 December 2027 are held indirectly by Peninsula Investments (WA) Pty Ltd (a company of which Mr Lees is a director and shareholder).

The Board advises that each of the Directors intend to take up their full Entitlements under the Offer.

Mr King (and/or his nominee) has entered into an agreement on commercial terms with the Underwriter to sub-underwrite the Offer for up to $40,000 representing 2,857,142 New Shares and 952,380 New Options. In addition, Mr King (or his nominees) will receive $1,200 (plus GST) and (subject to Shareholder approval) 952,380 New Options as consideration for sub-underwriting the Offer, which represents one (1) New Option for every three (3) New Shares he agreed to sub-underwrite. The terms of the Director Sub-Underwriting Agreement are set out in Section 5.5.

Upon completion of the Offers and assuming full sub-underwriter commitments are satisfied via the issue of Securities and the Directors take up their full Entitlements under the Offer, this represents a maximum potential shareholding:

(a) 1.92% for Mr King;

(b) 0.10% for Mr Groves; and

(c) 0.65% for Mr Lees.

5.9 Related party transactions

There are no related party transactions entered into that have not otherwise been disclosed in this Prospectus.

Section 208 of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit (including the payment of a fee under the Sub-Underwriting Agreement) to a related party of the public company, the public company or entity must:

(a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and

(b) give the benefit within 24 months following such approval, unless the giving of the financial benefit falls within an exception set out in section 210 to 216 of the Corporations Act. Section 210 of the Corporations Act states that Shareholder approval is not required if the terms of the benefit are at arm's length or no less favourable than arm's length.

Given that the terms of the Sub-Underwriting Agreement are similar to the terms of the Underwriting Agreement in respect to fees to be paid, the Company consider that the terms of the Sub-Underwriting Agreement are at arm's length or no less favourable.

5.10 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

(a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;

(b) promoter of the Company; or

(c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the two (2) years preceding lodgement of this Prospectus with the ASIC, any interest in:

(a) the formation or promotion of the Company;

(b) any property acquired or proposed to be acquired by the Company in connection with:

    (i) its formation or promotion; or

    (ii) the Offer; or

(c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

(a) the formation or promotion of the Company; or

(b) the Offer.

Still have acted as underwriter to the Offer and will be paid the fees set out in Section 5.4 for those services. During the 24 months preceding lodgement of this Prospectus with ASIC, Still has not received fees from the Company for any other services.

Nova Legal has acted as solicitors to the Company in relation to the Offer. The Company estimates it will pay Nova Legal $15,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, Nova Legal has been paid fees totalling $29,749.72 (including disbursements but excluding GST) for legal services provided to the Company.

Xcel Capital and ARQ Capital have been appointed as Joint Lead Managers to the Offer and will be paid the fees set out in Section 5.6 for those services. During the 24 months preceding lodgement of this Prospectus with ASIC, Xcel Capital has been paid fees totalling $287,434 (excluding GST and disbursements) for capital raising and corporate advisory services to the Company. During the 24 months preceding lodgement of this Prospectus with ASIC, ARQ Capital has been paid fees totalling $322,863 (excluding GST and disbursements) for capital raising and corporate advisory services to the Company.

Automic Share Registry has been appointed to conduct the Company's share registry functions and to provide administrative services in respect of the procession of Entitlement and Acceptance Forms receive pursuant to this Prospectus, and will be paid for these services on standard industry terms and conditions.

5.11 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the securities), the Directors, any persons named in the Prospectus with their consent as proposed directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved In the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

(a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section;

(b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section; and

(c) has not withdrawn its consent prior to lodgement of this Prospectus with ASIC.

Still has given its written consent to being named as Underwriter to the Offer in this Prospectus.

Nova Legal has given its written consent to being named as the solicitors to the Company in this Prospectus.

Xcel Capital has given its written consent to being named as a Joint Lead Manager of the Offer.

ARQ Capital has given its written consent to being named as a Joint Lead Manager of the Offer.

Automic Share Registry has given its written consent to being named as the share registry to the Company in this Prospectus.

5.12 Estimated expenses of the Offer

The estimated cash costs of the Offer (exclusive of GST) are set out below:

Item	Amount ($)
ASIC lodgement fee	$3,206
ASX quotation fee	$52,304
Underwriting and management fees	$94,577
Legal fees	$15,000
Printing, registry and other expenses	$16,500
Total	**$182,387**

5.13 Electronic Prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Forms. If you have not, please phone the Company on the number set out in the Corporate Directory to this Prospectus and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website as set out in the Corporate Directory to this Prospectus.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement.

6. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

Jeremy King
Non-Executive Chairman
For and on behalf of Sultan Resources Limited

7. DEFINITIONS

$ means the lawful currency of the Commonwealth of Australia.

Applicant means a Shareholder who applies for New Shares and/or New Options pursuant to the Offer or a Shareholder or other party who applies for Shortfall Securities pursuant to the Shortfall Offer.

Application Form means an Entitlement and Acceptance Form or Shortfall Offer Application Form as the context requires.

Application Money means the aggregate amount of money payable for Securities applied for in the Entitlement and Acceptance Forms.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Canadian Projects refers to the Company's Kember and Rudy Projects.

Claims refers to the Company's mining claims or tenements held in Canada.

Closing Date means the date specified in the timetable set out at the commencement of this Prospectus (unless extended).

Company or **Sultan** means Sultan Resources Limited (ACN 623 652 522)

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company as at the date of this Prospectus.

Eligible Shareholders means a Shareholder whose details appear on the Company's register of Shareholders as at the Record Date and have a registered address in Australia or New Zealand.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Prospectus.

Joint Lead Manager Mandate means the joint lead manager mandate between the Company and Joint Lead Managers, as summarised in Section 5.6.

Joint Lead Manager Offer has the meaning given in Section 1.3.

Joint Lead Managers means Xcel Capital Pty Ltd (ACN 617 047 319) and ARQ Capital Pty Ltd (ACN 135 397 796).

New Options means an Option issued on the terms and conditions set out in Section 4.2.

New Share means a Share issued on the terms and conditions set out in Section 1.1.

Offer means the non-renounceable rights issue offer of New Shares and New Options, the subject of this Prospectus.

Official Quotation means official quotation on ASX.

Opening Date means the date specified in the timetable set out at the commencement of this Prospectus.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out at the commencement of this Prospectus.

Section means a section of this Prospectus.

Securities means the New Shares and/or New Options, issued under this Prospectus, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Share Registry means Automic Share Registry.

Shareholder means a holder of a Share.

Shortfall means those Securities under the Offer not applied for by Shareholders under their Entitlement (if any).

Shortfall Offer Application Form means the shortfall application form either attached to or accompanying this Prospectus relating to the Shortfall Offer.

Shortfall Offer means the offer of the Shortfall on the terms and conditions set out in Section 1.7.

Shortfall Options means those New Options issued pursuant to the Shortfall.

Shortfall Securities means the Shortfall Options and Shortfall Shares.

Shortfall Shares means those New Shares issued pursuant to the Shortfall.

Underwriter or **Still** means Still Capital Pty Ltd (ABN 33 647 521 604).

Underwriter Offer means the offer of New Options to the Underwriter, the subject of this Prospectus.

Underwriter Options means an Option issued to the Underwriter pursuant to the Underwriting Agreement.

Underwriting Agreement means the agreement between the Company and Still in respect of the Offer, as summarised in Section 5.4.

WST means Western Standard Time as observed in Perth, Western Australia.

Annexure A– Pro Forma Statement of Financial Position

Pro-Forma Statement of Financial Position as at 30 June 2023

	Sultan Resources Limited (Audited) 30-Jun-23	Adjustments (e)	Pro-forma Adjustments (a), (b), (c), (d)	Pro-forma after Issue
	$	$	$	$
CURRENT ASSETS				
Cash and cash equivalents	1,346,030	(806,000)	509,166	1,049,196
Trade and other receivables	141,135	-	-	141,135
TOTAL CURRENT ASSETS	**1,487,165**	**(806,000)**	**509,166**	**1,190,331**
NON-CURRENT ASSETS				
Exploration and evaluation expenditure	8,632,582	439,000	-	9,071,582
TOTAL NON-CURRENT ASSETS	**8,632,582**	**439,000**	**-**	**9,071,582**
TOTAL ASSETS	**10,119,747**	**(367,000)**	**509,166**	**10,261,913**
CURRENT LIABILITIES				
Trade and other payables	153,831	-	-	153,831
Provisions	7,466	-	-	7,466
TOTAL CURRENT LIABILITIES	**161,297**	**-**	**-**	**161,297**
TOTAL LIABILITIES	**161,297**	**-**	**-**	**161,297**
NET ASSETS	**9,958,450**	**(367,000)**	**509,166**	**10,100,616**
EQUITY				
Issued capital	13,354,207	-	359,797	13,714,004
Reserves	2,117,467	-	149,369	2,266,836
Accumulated losses	(5,513,224)	**(367,000)**	-	(5,880,224)
TOTAL EQUITY	**9,958,450**	**(367,000)**	**509,166**	**10,100,616**

Notes:

(a) A pro-rata non-renounceable entitlement issue of one (1) New Share for every three (3) existing Shares held by those Shareholders registered at the Record Date at an issue price of $0.014 per New Share to raise up to $691,553 (before costs).

(b) Expenses of the offer $182,387.

(c) Issue of 16,465,561 New Options to the Underwriters (or their nominees/s), in part consideration for underwriting the Offer ($92,930).

(d) Issue of 10,000,000 New Options to the Joint Lead Managers ($56,439).

(e) Cash outflows in the ordinary course of business post-30 June 2023 of $806,000.