

21st August, 2009

Peelwood Mine Development – Market Update

The Board of Sultan Corporation wishes to inform that the decision to develop the Peelwood Copper/Zinc mine was based on favorable results of the feasibility study. The following processes were undertaken prior to the Board making this decision:

- Geological assessment (including drilling);
- Resource model development;
- Mine optimisation and scheduling;
- Metallurgical testing;
- Preliminary engineering and plant construction assessment; and
- Commercial analysis.

The Feasibility Study concluded that over the five years the mill will likely process the following quantities of ore. Sultan anticipates that the final mine production will be within a range of +/- 15% of these values.

Peelwood Mine Plan						
	<i>Year 1</i>	<i>Year 2</i>	<i>Year 3</i>	<i>Year 4</i>	<i>Year 5</i>	<i>Total</i>
<i>Tonnes('000)</i>	<i>80.00</i>	<i>90.00</i>	<i>90.00</i>	<i>90.00</i>	<i>85.00</i>	435.00
<i>Zn %</i>	<i>6.10</i>	<i>5.10</i>	<i>5.00</i>	<i>5.00</i>	<i>5.00</i>	5.22
<i>Pb %</i>	<i>0.75</i>	<i>0.75</i>	<i>0.75</i>	<i>0.75</i>	<i>0.75</i>	0.75
<i>Cu %</i>	<i>1.45</i>	<i>1.00</i>	<i>1.00</i>	<i>1.00</i>	<i>1.00</i>	1.08
<i>Ag g/t</i>	<i>23.00</i>	<i>23.00</i>	<i>23.00</i>	<i>23.00</i>	<i>23.00</i>	23.00

Further information regarding the Peelwood project can be obtained on the company website at www.sultan.net.au



Derek Lenartowicz
Managing Director