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The Manager,
Company Announcement Office,
Australian Stock Exchange Limited.

FEASIBILITY STUDY - MARKET UPDATE

JORC Resources Established

Sultan Corporation Limited's (ASX: SSC) exploration program conducted during the past 12 months was highly successful in upgrading the JORC resource at John Fardy; delineating maiden JORC resources at Peelwood; and identifying strong mineralisation at the Black Springs project.

All projects remain open to further expansion and will be tested in the coming year.

Sultan Corporation is pleased to announce updated resources at its John Fardy and Peelwood prospects. Table 1 details the combined resource for these prospects.

Table 1 - Combined Resource Update for John Fardy and Peelwood

Resource	Tonnes	Zn %	Cu %	Pb %	Ag g/t	Zinc Equiv.
Combined Resource	895,000	3.94	0.8	0.73	16	8.0

NB: The zinc equivalence formula and relevant calculation variables are outlined in the section titled "Description and notes on John Fardy and Peelwood Resource Estimates."

John Fardy and Peelwood have both been estimated in accordance with the JORC Code (2004) and the individual resource estimates are given in Table 2 below. The categories of indicated and inferred with decreasing levels of confidence are as follows:

Table 2 - Individual Resource Updates for John Fardy and Peelwood Prospects

Resource	Resource Category	Tonnes	Zn%	Cu%	Pb%	Ag g/t	Zinc Equiv.
John Fardy * *(1% Zn cut-off)*	*Indicated*	*597,000*	*4.5*	*1.0*	*0.6*	*15*	*9.2*
	Inferred	*39,000*	*3.0*	*1.1*	*0.3*	*13*	*7.8*
	Total	**636,000**	**4.4**	**1.0**	**0.5**	**15**	**9.0**

Resource	Resource Category	Tonnes	Zn%	Cu%	Pb%	Ag g/t	Zinc Equiv.
Peelwood **							
	Inferred	*259,000*	*2.82*	*0.3*	*1.28*	*17*	*5.45*
	Total	**259,000**	**2.82**	**0.3**	**1.28**	**17**	**5.45**
Combined Resource		***895,000***	***3.94***	***0.8***	***0.73***	***16***	***8.0***

* John Fardy October 2008 Resource was estimated by Chris Black of Cube Consulting Pty Ltd

** Peelwood Resource was estimated by Kevin Alexander of Sultan Corporation Ltd

NB: The zinc equivalence formula and relevant variables for calculation are outlined in the section titled "Description and notes on John Fardy and Peelwood Resource Estimates."

John Fardy and Peelwood zinc and copper prospects are 100% owned by Sultan Corporation and are located 75km south of Bathurst in central New South Wales. These prospects are part of a larger contiguous group of tenements held by Sultan and include other advanced targets such as Black Springs (see Figure 1).

Develop Mine/Generate Cash Flow

As previously announced to the market (ASX: 16-06-2008) Sultan has engaged Intermine Engineering Consultants to complete all design and mining engineering studies. Intermine has optimised the current resource and preliminary indications show that the following tonnages are likely to occur within the respective open cuts at John Fardy and Peelwood projects.

Table 3 – Open Pit Estimates

Resource	Tonnes	Zn %	Cu %	Pb %	Ag g/t	Zinc Equiv.
John Fardy	*360,000*	*5.01*	*0.99*	*0.70*	*16*	*10.2*
Peelwood	*109,000*	*5.67*	*0.55*	*2.72*	*32*	*11.6*
Combined Resource	469,000	5.16	0.90	1.17	20	10.5

Sultan considers there are reasonable prospects for eventual economic extraction of this resource.

Intermine has completed preliminary mine designs for both John Fardy and Peelwood and continue to manage the processes necessary to obtain regulatory approvals required to commence mining operations at both prospects.

Metallurgical Test Work

SSC engaged Metallurgical Design to establish recovery characteristics of zinc, copper, lead and silver minerals. Metallurgical Design has also been responsible for optimising plant configuration for ore treatment.

In August and September, AMM was subcontracted by Metallurgical Design to conduct metallurgical test work of the John Fardy ore. Results of the test work are as follows:

- Sulphide minerals are readily liberated at both 75 micron and the coarser 106 micron;
- Both grind recoveries of zinc, copper and lead are all well in excess of 90% and generally more than 95%;
- Finer grinding is not required to enhance floatation performance; and
- Very good Flotation Bulk Concentrate Recovery = 43.5%.

Table 4 - Recovery of Base Metals

Base Metal	% Recovery	Head Grade	Conc. Grade
Zinc	96	9.9	22.2
Lead	97.7	2.0	4.6
Copper	98.3	0.7	1.5
Sulphur	96.8	17.7	39.3

Exploration at Peelwood is at an earlier stage than at John Fardy and independent metallurgical test work has not been undertaken. Sultan's Chief Geologist stated "The mineralisation at Peelwood is broadly similar in style to mineralization at John Fardy".

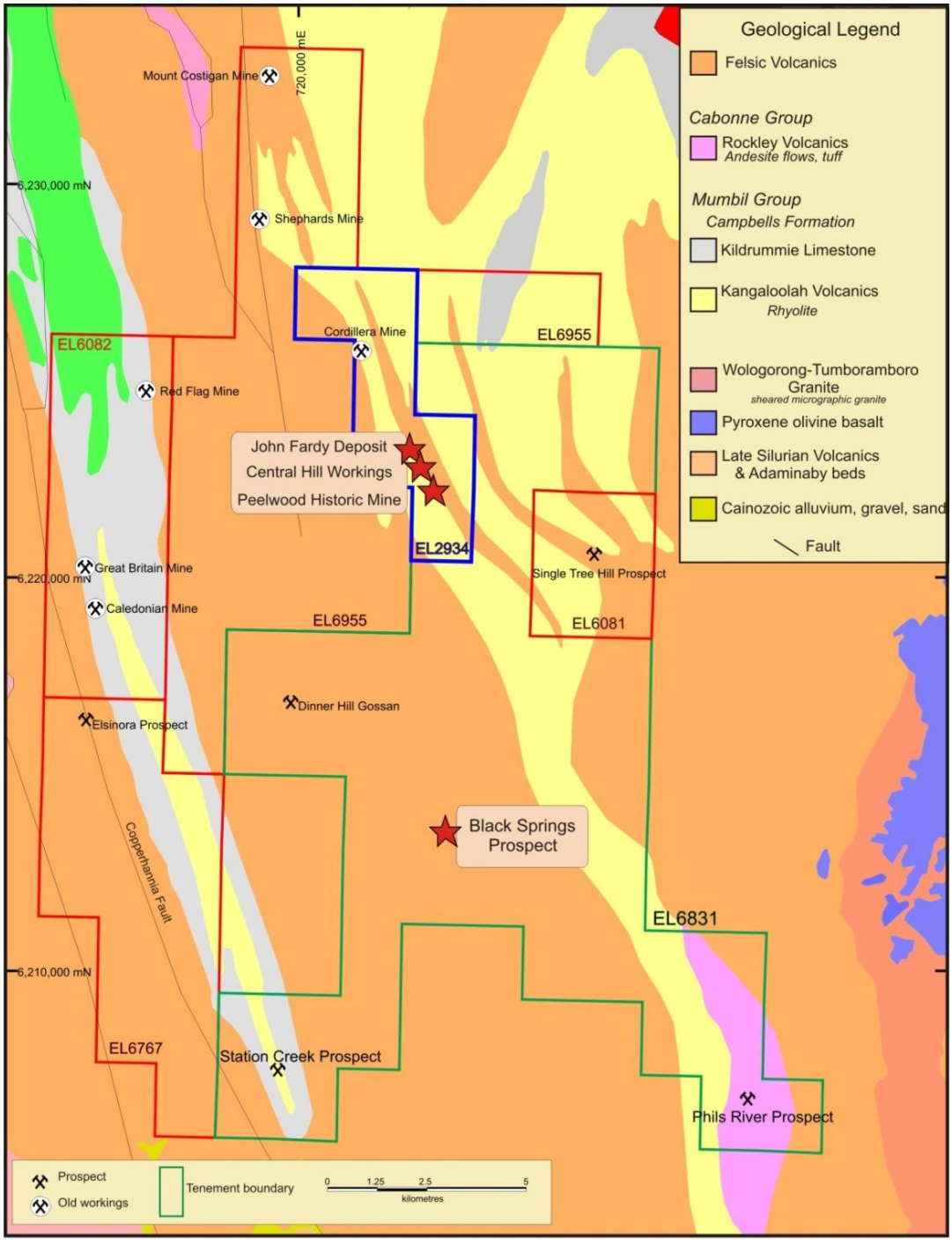
Preliminary Project Indicators

Sultan has engaged McSweeney Partners Pty Ltd to conduct engineering design and a costing study based on a 120-150ktpa treatment plant.

Preliminary assessment suggests the capital costs would fall within the expected values.

Sultan's Managing Director, Mr. Derek Lenartowicz said "The characteristics of John Fardy prospect indicate that Sultan Corporation will end up with a project that has a relatively low capital and operating cost due to the anticipated simplicity of the ore treatment circuit."

Figure 1 Sultan's Tenements in Peelwood Area



Description and notes on the John Fardy and Peelwood Resource Estimates

Calculation of Zinc Equivalence

Zinc is the major mineral of economic value. The zinc equivalent grade has been calculated by adding the zinc grade and the adjusted grades of copper, lead and silver. The grades of copper, lead and silver have been multiplied by factors that express the assumed relative prices of the metals.

Zinc equivalent % = Zn% + 4.0Cu% + 1.0Pb% + 0.01Ag g/t.

The assumed metal prices are zinc USD 0.50 per pound, copper USD 2.0 per pound, lead 0.60 per pound and silver USD 10.0 per ounce and are based on prices of these metals in the period October 2008.

In August and September 2008, AMMTEC Ltd of Perth, Western Australia conducted metallurgical test work of the John Fardy ore. The sulphide minerals are readily liberated at both 75 micron and the coarser 106 micron. For both grinds recoveries of zinc, copper and lead are all well in excess of 90% and generally more than 95%. The metallurgical test work suggests the recoveries of the major elements of value are similar and the relative metal prices are a good basis for calculating a zinc equivalent grade. Exploration at Peelwood is at an earlier stage than at John Fardy and independent metallurgical test work has not been undertaken. It has been assumed that Peelwood would have similar metallurgical characteristics to John Fardy.

Competent Personnel Responsible for the Resource Estimate

The resource estimate for John Fardy has been estimated on behalf of Sultan Corporation Limited by Chris Black of Cube Consulting Pty Ltd. Chris Black has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Person(s) as defined in the 2004 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". Chris Black consents to the inclusion in the report of the matters based on their information in the form and context in which it appears in Table 2.

Cube Consulting is an independent Perth based resource consulting firm specializing in geological modeling, resource estimation and information technology.

The information in this report relating to the estimation of the Peelwood resource is based on information compiled by Mr. Kevin Alexander. Mr. Alexander is a full time employee of Sultan Corporation Limited. Mr. Alexander is a member of The Australasian Institute of Mining and Metallurgy and Australian Institute of Geoscientists. He has sufficient experience that is relevant to the style of mineralization under consideration and to the activity which he is undertaking to be qualified as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting on Exploration Results, Mineral resources and Ore Reserves". Mr. Alexander consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Derek Lenartowicz
Managing Director