

SULTAN STRENGTHENS ITS POSITION AT PEELWOOD

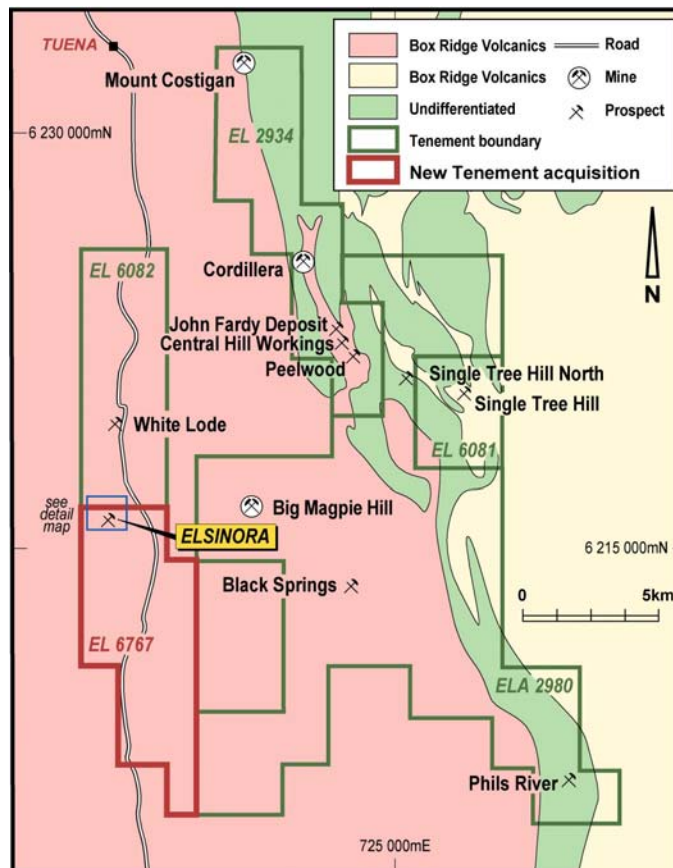
Key Points

- Sultan Corporation Limited buys 100% of the Elsinora Project (EL6767) from Ironbark Gold Ltd.
- EL6767 has boundaries with Exploration License 6082 and 6831 that are 100% owned by Sultan Corporation

Significant Historical Drilling Results

| Hole # | Length | Zn% | Au g/t | Pb% | Ag g/t |
|--------|--------|------|--------|------|--------|
| DDH004 | 2.65m | 8.46 | 0.57 | 3.13 | 71 |
| DDH001 | 1.77m | 7.62 | | 3.51 | 1.19 |
| DDH001 | 3.2m | 4.0 | | 1.41 | 0.5 |
| DDH02 | 24.0m | 0.54 | 0.48 | 0.22 | 5.00 |

The Board is pleased to announce that it has entered into an agreement to acquire from Ironbark Gold Limited the ground adjoining the Peelwood Project tenements and held under Exploration License Application No. 6767.



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The consideration for the acquisition is the issue of 5,000,000 shares in Sultan at a deemed issue price of 5.0¢ each. The purchase is subject to due diligence by Sultan, shareholder approval and the grant of an exploration license in the name of Sultan.

Exploration License Application No. 6767 covers approximately 37 square kilometres and is located approximately 70 kilometres north of Canberra. As shown in the accompanying figure, the application adjoins the southern and western boundaries of Sultan's Exploration License No. 6082 and Exploration License No. 6831 respectively.

It is considered that the application area is prospective for the discovery of volcanics-hosted massive-sulphide deposits similar to Sultan's John Fardy zinc-copper deposit. The area contains a north west trending sequence of felsic volcanics and sediments of Silurian age that are similar to those rock units being explored in Sultan's adjoining licences, as shown on the accompanying figure.

A defined mineralization trend over a significant strike length of approximately 500 metres is currently divided by the tenement boundaries. The acquisition of EL No. 6767 will allow this trend to be consolidated under 100% Sultan ownership.

The area is situated within the eastern portion of the Lachlan Fold Belt that forms part of the Phanerozoic Tasman Orogenic Zone of eastern Australia.

The Elsiehora Project area is dominated by sequences of foliated Ordovician to Early Silurian flysch sediments comprising siltstones and fine sandstones with lesser black shales (slates) and cherts belonging to the Triangle Group, Abercrombie Beds and Campbells Group.

The sequences of Ordovician to Silurian rocks in the project area have been folded into a series of north-south trending folds. The flysch sediments are found in antiformal structures. Faulting is also evident and thrusting is noted near the western boundary of the tenement.

The Project offers an excellent opportunity to drill test an advanced exploration target with high-grade zinc intercepts from previous drilling. Sultan Corporation is planning to complete further drilling around the Elsiehora Prospect to further assess its potential.

The Managing Director Derek Lenartowicz said: "This is another strategic purchase of a well defined exploration target for Sultan. The acquisition of Elsiehora adds a significant asset to our portfolio of tenements within the Peelwood area."

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Table 2: Significant Intercepts of Drill holes on EL6767

| Hole_ID | North | East | Azi_mag | Dip | From (m) | To (m) | Width (m) | Zn% | Pb% | Cu% | Au(g/t) | Ag (g/t) |
|----------|-------|------|---------|-----|--|--|--|--|---|--------------------------------|---|--|
| T001 | | | | | 48.77 51.82 | 49.38 52.43 | 0.61 0.61 | 4.20 8.80 | 1.50 1.10 | 0.05 0.10 | 1.8 3.0 | |
| DDH001 | 4755 | 4731 | 61 | -57 | 75.59 81.87 89.09 113.40 | 79.71 83.64 97.35 116.60 | 4.12 1.77 8.26 3.20 | 1.26 7.62 1.31 4.00 | 0.71 3.51 0.40 1.41 | - - - - | - - - - | - - - 0.05 |
| DDH002 | 4641 | 5205 | 240 | -45 | 15.61 32.99 50.35 58.49 108.69 127.19 | 17.10 41.33 51.08 60.26 112.84 131.34 | 1.49 8.35 0.73 1.77 4.15 4.15 | 1.80 1.07 2.20 0.72 1.51 2.08 | 0.56 0.70 - 0.42 0.53 1.04 | - - - - - - | - - - - - - | - - - 0.10 0.46 0.68 |
| re-assay | | | | | 108.00 | 132.00 | 24.00 | 0.54 | 0.22 | - | 0.48 | 5.00 |
| DDH003 | 4525 | 4290 | 65 | -80 | 322.48 335.89 | 327.96 337.11 | 5.48 1.22 | 1.39 1.42 | 0.54 0.61 | - - | - 0.31 | 9.3 5.00 |
| DDH04 | | | | | 318.52 318.52 345.89 357.47 394.81 re-assay 284.60 | 321.07 324.61 349.51 360.82 396.03 289.50 | 2.65 6.09 3.62 3.35 1.22 4.90 | 8.46 3.78 0.89 1.21 3.48 0.32 | 3.13 1.39 0.38 0.52 2.58 0.11 | - - - - - | 0.57 0.28 0.17 <0.10 1.92 0.24 | 71.00 32.00 8.30 11.80 68.54 7.00 |
| PDH004 | 5100 | 4685 | 72 | -65 | 70.71 | 75.29 | 4.58 | 2.67 | 0.83 | - | - | - |

The information in this report that relates to Exploration Results is based on information compiled by Mr. Kevin Alexander who is a member of The Australasian Institute of Mining and Metallurgy. Mr. Alexander is a full time employee of Sultan Corporation Limited. Mr. Alexander has sufficient experience which is relevant to the style of mineralisation 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
 October 2007

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