

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

**SULTAN CORPORATION LIMITED**

ABN

84 061 219 985

Quarter ended ("current quarter")

30 Sept 2011

### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation	(587)	(587)
(b) development	-	-
(c) foreign exchange	-	-
(d) administration	(563)	(563)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	58	58
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
<b>Net Operating Cash Flows</b>	<b>(1,092)</b>	<b>(1,092)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a)prospects	-	-
(b)equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of: (a)prospects	-	-
(b)equity investments	-	-
(c)other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (security advance)	-	-
<b>Net investing cash flows</b>	<b>-</b>	<b>-</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(1,092)</b>	<b>(1,092)</b>

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	Current quarter \$A'000	Year to date \$A'000
1.13 Total operating and investing cash flows (brought forward)	(1,092)	(1,092)
<b>Cash flows related to financing activities</b>		
1.14 Proceeds from issues of shares, options, convertible notes.	100	100
1.15 Proceeds from sale of forfeited shares	-	-
1.16 Proceeds from borrowings	-	-
1.17 Repayment of borrowings	-	-
1.18 Dividends paid	-	-
1.19 Other – issue costs	-	-
<b>Net financing cash flows</b>	100	100
<b>Net increase (decrease) in cash held</b>	(992)	(992)
1.20 Cash at beginning of quarter/year to date	5,733	5,733
1.21 Exchange rate adjustments to item 1.20	(4)	(4)
1.22 <b>Cash at end of quarter</b>	4,737	4,737

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

	Current quarter \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	182
1.24 Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Directors' salaries, superannuation and consulting fees

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

During the Quarter, and as announced to the ASX, the Company issued 292 million ordinary shares to Directors and Employees. This was a non cash transaction and Directors and Employees have taken out loans against these shares in accordance with the terms and conditions of the Director and Employee Share Plan.

The shares were issued pursuant to a shareholder authority obtained a General Meeting of the Company held in August 2011 and no shares can be traded until the loans are repaid in full.

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- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil
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### Financing facilities available

*Add notes as necessary for an understanding of the position.*

	Amount available	Amount used
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	350
4.2 Development	-
4.3 Production	-
4.4 Administration	300
<b>Total</b>	<b>650</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	371	5,387
5.2 Deposits at call	4,090	70
5.3 Bank overdraft		
5.4 Other ( term deposit held against guarantee)	276	276
<b>Total: cash at end of quarter</b> (item 1.22)	<b>4,737</b>	<b>5,733</b>

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**Changes in interests in mining tenements**

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	-	-	-
6.2	Interests in mining tenements acquired or increased	-	-	-

**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	<b>Preference securities</b> <i>(description)</i>	-	-	-
7.2	Changes during quarter			
	(a) Increases through issues	-	-	-
	(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-
7.3	<b>+Ordinary securities</b>	1,748,725,155	1,748,725,155	Not required
7.4	Changes during quarter			
	(a) Increases through issues	304,066,667	304,066,667	-
	(b) Decreases through returns of capital, buy-backs		-	-

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7.5	<b>+Convertible debt securities</b> 2 unsecured convertible notes of US\$2million each drawn down by monthly payments of US \$150,000 carrying a coupon rate of 4.25% and a Balance owing at 30 June 2011 of \$379,277)	-	-	-	-
7.6	Changes during quarter (a) Increases through issues  (b) Decreases through returns of capital, buy-backs, redemptions		-	-	-
7.7	<b>Options</b> (description and conversion factor)				
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	10,000,000 1cent options (21/10/2013 expiry) were converted into 10million ordinary Shares	Converted into 10,000,000 fully paid ordinary shares	-	-
		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.10	Expired during quarter	-	-	-	-
7.11	<b>Debentures</b> (totals only)	-	-		
7.12	<b>Unsecured notes</b> (totals only)	-	-		

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### Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does ~~does not~~\* (*delete one*) give a true and fair view of the matters disclosed.



Sign here: ..... Date: 17 October 2011  
(~~Director~~/Company secretary)

Print name: Jerry Monzu

### Notes

- 1 The quarterly report provides a basis for informing the market how the entity’s activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The “Nature of interest” (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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