

31 July 2019

## Drilling underway at Nicholson Project JV with South32

- Drilling commences at the first of (up to) 11 diamond core holes aimed to systematically test up to eight large high priority geophysical conductivity targets having potential to deliver world-class discoveries similar to McArthur River, Century and Mount Isa lead-zinc-silver deposits
- Fully funded by South32 to complete drilling program in first stage of joint venture (JV)

Superior Resources (ASX:SPQ) announced today the commencement of a significant drilling program at its 100%-owned Nicholson Project (Figure 1), which is being fully funded by South32 as part of an earn-in and joint venture arrangement.

The program will systematically test up to eight large high priority geophysical conductivity targets that have the potential to deliver world-class discoveries similar to the McArthur River, Century and Mount Isa lead-zinc-silver deposits. Apart from one target, the targets have not previously been subjected to exploration drilling.

Each of the high priority conductors are modelled as being located within the Mount Les Siltstone, which is the target horizon that is known within the area to host Mount Isa style deposits (Figure 2).

Further updates will be provided to the market as drilling progresses.

Superior's Managing Director Peter Hwang said: "We are excited with the solid start to this significant drilling program, one that presents us with several opportunities for the discovery of a world-class base metals deposit. This program represents one of the very few modern-day exploration campaigns directly focused on discovering a Mount Isa or MacArthur River equivalent deposit, particularly within the small-cap junior sector."

"The drilling is progressing well with about 250m of the first hole completed and subject to any drilling complications, we expect to reach the target horizon within the next week."

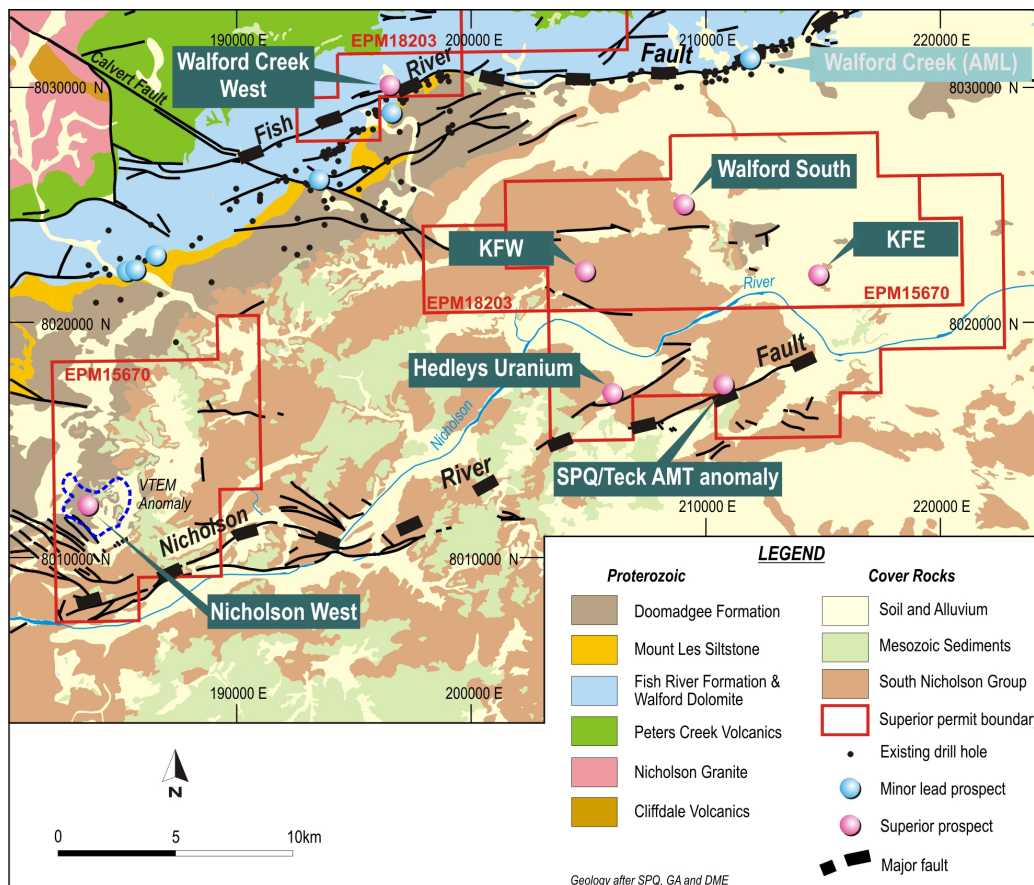


Figure 1. Nicholson Project tenements and key prospect locations.

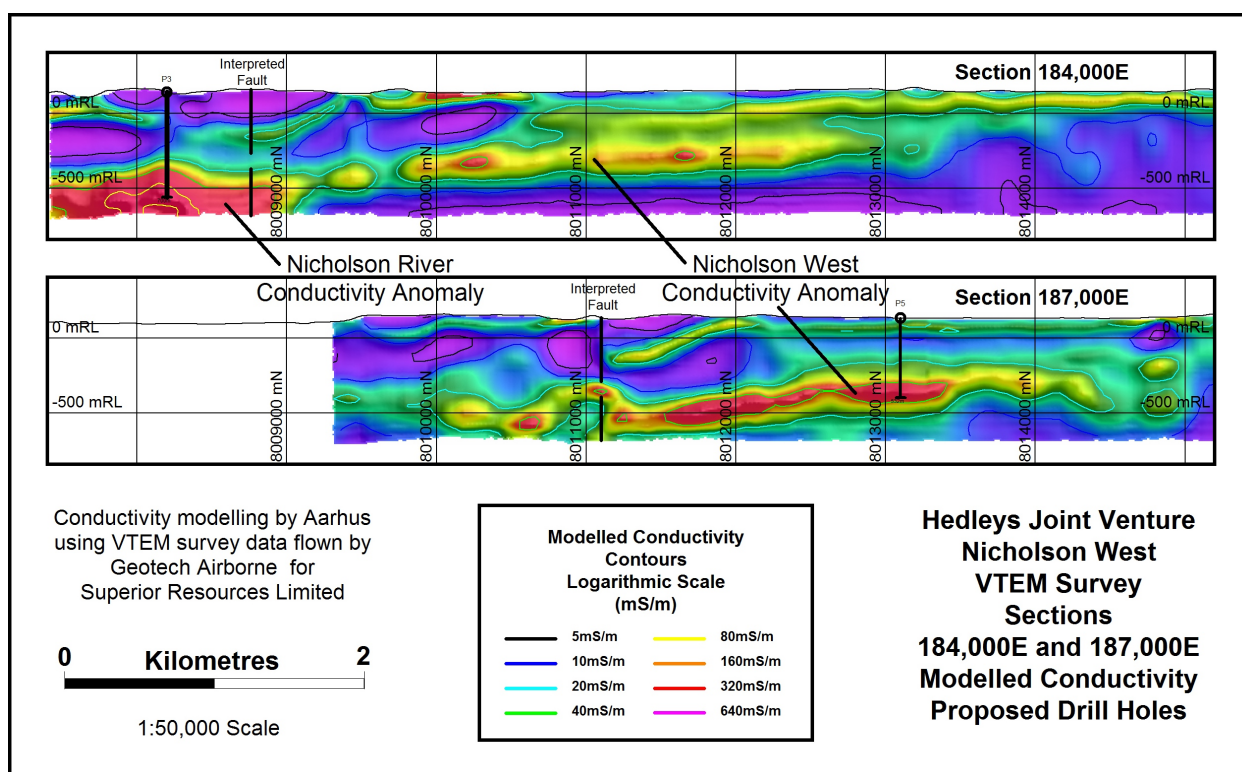


Figure 2. VTEM Aarhus modelled conductivity sections on lines 184,000E and 187,000E showing the Nicholson West and Nicholson River conductivity anomalies and interpreted major southwest-trending fault. Proposed drill holes P3 and P5 are also shown.



Mr Hwang added: “With rising demand for metals and constrained supply, our joint venture with South32 is of enormous benefit in an area of significant potential for new discoveries. We look forward to updating the market with the results of our progress, as we seek to deliver increased value to all stakeholders.”

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**For more information:**

Peter Hwang

Managing Director

Tel: +61 7 3847 2887

[www.superiorresources.com.au](http://www.superiorresources.com.au)

[manager@superiorresources.com.au](mailto:manager@superiorresources.com.au)

**About Superior Resources**

Superior Resources Limited (ASX:SPQ) is a Australian public company exploring for large lead-zinc-silver, copper, gold and nickel-cobalt deposits in northern Queensland which have the potential to return maximum value growth for shareholders.

The Company has a dominant exploration position within the Carpentaria Zinc Province, one of the world’s richest mineral producing regions and is focused on multiple Tier-1 equivalent exploration targets.

**About Nicholson Project**

The Nicholson Project is a “Tier 1” zinc-lead exploration project that provides the Company with industry-leading opportunities to discover a world-class Mount Isa Style Lead-Zinc-Silver deposit. The project is located in the Carpentaria Zinc Province, which contains 20% of the world’s zinc resource inventory. In the region immediately surrounding Mount Isa, rocks prospective for Mount Isa Style deposits are exposed at or close to surface and as a consequence, have been intensely explored. In contrast, the Nicholson Project is in an equally prospective region that is relatively unexplored. In this region the prospective rock sequences are covered by varying depths of younger sediments. This is the most likely area within Queensland to make the next Mount Isa discovery.



**Reporting of Exploration Results:** The exploration results and interpretations contained in this report reflect information that has been reported in ASX market announcements dated 10 July 2019 and earlier. The Company confirms that it is not aware of any new information that materially affects the information included in the relevant original market announcement.

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