

Superior Resources Limited

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30 September 2014

QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS

- Superior increases its focus on the large northwest Queensland Mount Isa style lead-zinc-silver and copper projects.
- Progress being made to expedite access to the Tick Hill Gold Project.

Superior Resources Limited

ASX:SPQ

Board

Carlos Fernicola – Chairman
Peter Hwang – Managing Director
Ken Harvey – Non-exec Director
David Horton – Non-exec Director
Carlos Fernicola – Company Secretary

Securities

Ordinary Shares – 176,944,372
Top 20 hold 58.45% of issued capital

Financial

Cash and Shares – \$347,000

Summary

Superior Resources Limited (SPQ) is a Brisbane based ASX listed mineral explorer whose principle aim is the discovery of a large base metal deposit in northern Queensland. Superior holds a number of exploration projects in northwest Queensland for large Mount Isa type copper and lead-zinc-silver deposits and exploration projects in northeast Queensland for copper-gold-lead-zinc-silver deposits. Superior also holds gold and uranium tenements.

Share Registry

Link Market Services
Level 15, 324 Queens Street
Brisbane, QLD, 4000

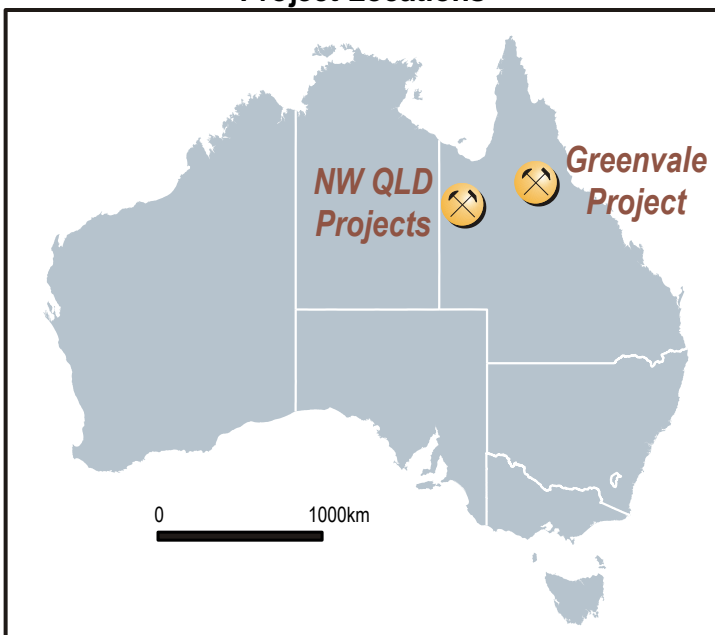
Web Site

www.superiorresources.com.au

Contact

Peter Hwang
(07) 3839 5099

Project Locations





OVERVIEW

GOLD:

Tick Hill Gold Project: (Farmin JVA subject to preconditions)

- Planning process commenced to enable the evaluation of old mine tailings to identify re-processing potential.
- Investigating tailings processing opportunities with third parties.
- Expediting the satisfaction of pre-conditions under a joint venture agreement with Diatreme Resources Limited to enable Superior access to and commencement of work on the Tick Hill Gold Project.
- Represents potential cash flow opportunity in the short term and significant longer term discovery potential.

ZINC:

As reported in the previous quarter, Superior has increased its focus on progressing the large, high quality Mount Isa Style lead-zinc-silver and copper projects in Northwest Queensland. Significant bullish commodity outlook for zinc.

- A new exploration permit application (EPMA25264, Tomahawk Creek) has been made to complete Superior's tenement coverage over the Victor Project.
- Pursuing joint venture arrangements with third parties.

Nicholson West Project: (100% SPQ)

- Consists of a substantial bedrock EM anomaly possibly representing a stratiform Mount Isa Style lead-zinc-silver deposit.
- Represents a highly prospective and ready to drill lead-zinc prospect.
- Single proposed drill hole to target a pyritic shale intersection in excess of 20m thickness.
- Potential also for copper feeder zone targets.

Harris Creek (Victor Project): (100% SPQ)

- Extensive high order lead and zinc soil geochemical anomalies.
- High potential for Mount Isa style lead-zinc deposit in the deeper Proterozoic basement.
- EM geophysical anomaly identified as being sourced from the Proterozoic basement underlying about 200m of younger (Cambrian) sediments.
- Proterozoic basement anomaly has not previously been drilled.

COPPER:

Greenvale Project: (100% SPQ)

- ThreeD computer modelling of geophysical data and development of drill targets to:
 - build on the current copper resources at Cockie Creek (13Mt @ 0.42% Cu - JORC 2004);
 - identify high grade copper at the One Mile Prospect and the recently added new copper prospects including Riesling, Halls Reward, Bottletree and Wyandotte prospects;
(historical work: 5.8m @ 7.8% Cu and 13.4m @ 3.6% Cu);
 - develop potential for a multi-deposit central plant production operation; and
 - identify potential for larger and deeper porphyry copper mineralisation.
- Currently in early stage discussions with potential Joint venture partners.

PROJECT ACTIVITIES

Tick Hill Gold Project

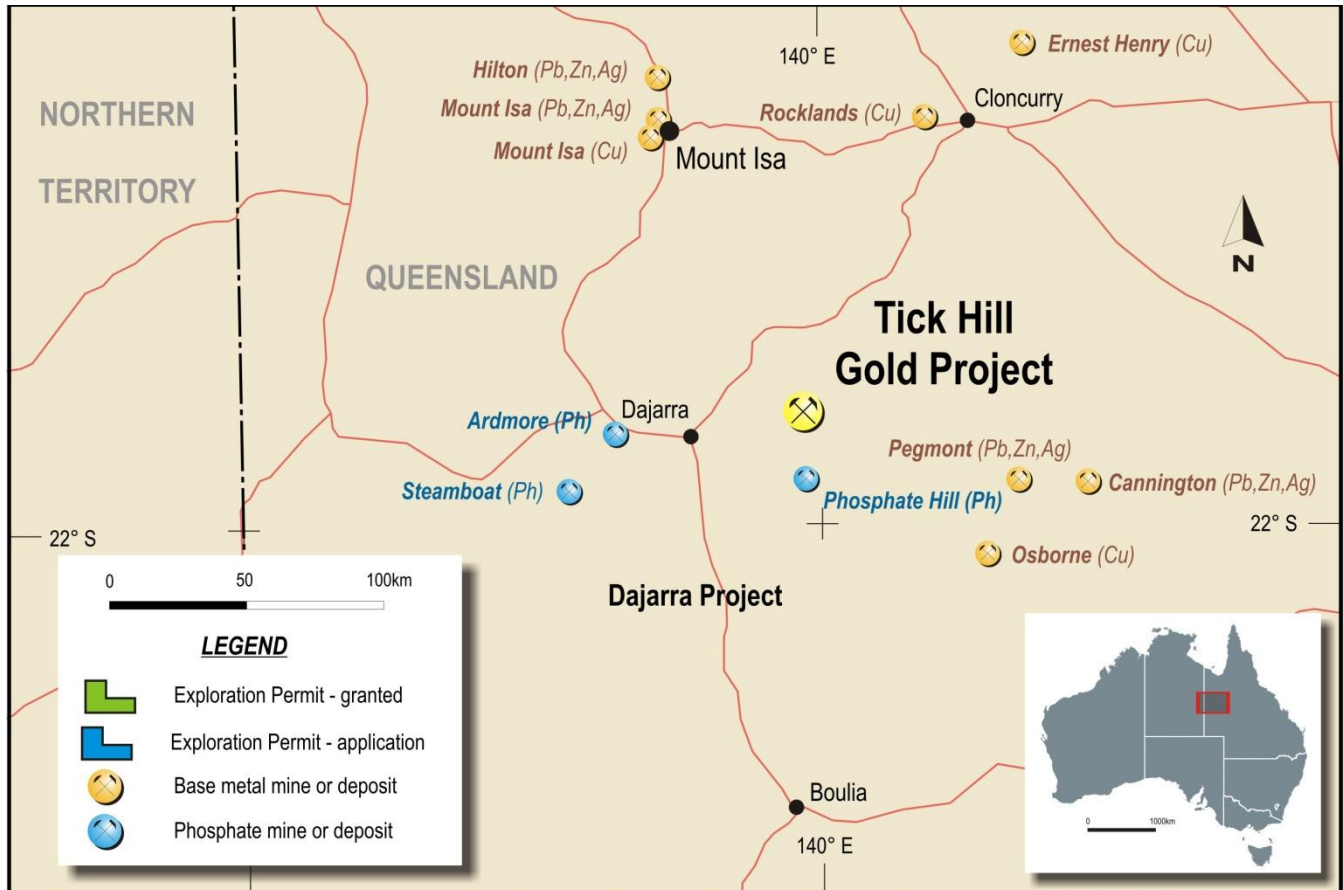


Figure 1. Superior Resources Limited – Tick Hill Gold Project location.

The Tick Hill Gold Project (Figures 1 and 2) was mined during the early 1990's by Mount Isa Mines Limited as an unusually high grade gold deposit. A total of 533,333 ounces of gold was recovered at an average grade of 22.6 g/t gold.

Considerable resources have been focussed on contractual and regulatory matters to enable the early commencement of an evaluation program to identify early stage cash flow opportunities at the Tick Hill Gold Project.

The project presents both short term small scale operational opportunities for the sole purpose of realising a potential source of cash flow as well as a significant longer term exploration opportunity. The opportunities can be summarised as follows:

- re-processing of old mine tailings;
- potential alluvial deposits adjacent to the open cut pit;
- mine waste rock dumps;
- residual underground ore; and
- exploration target - identification of a high grade gold resource possibly representing a faulted offset of the original ore body.

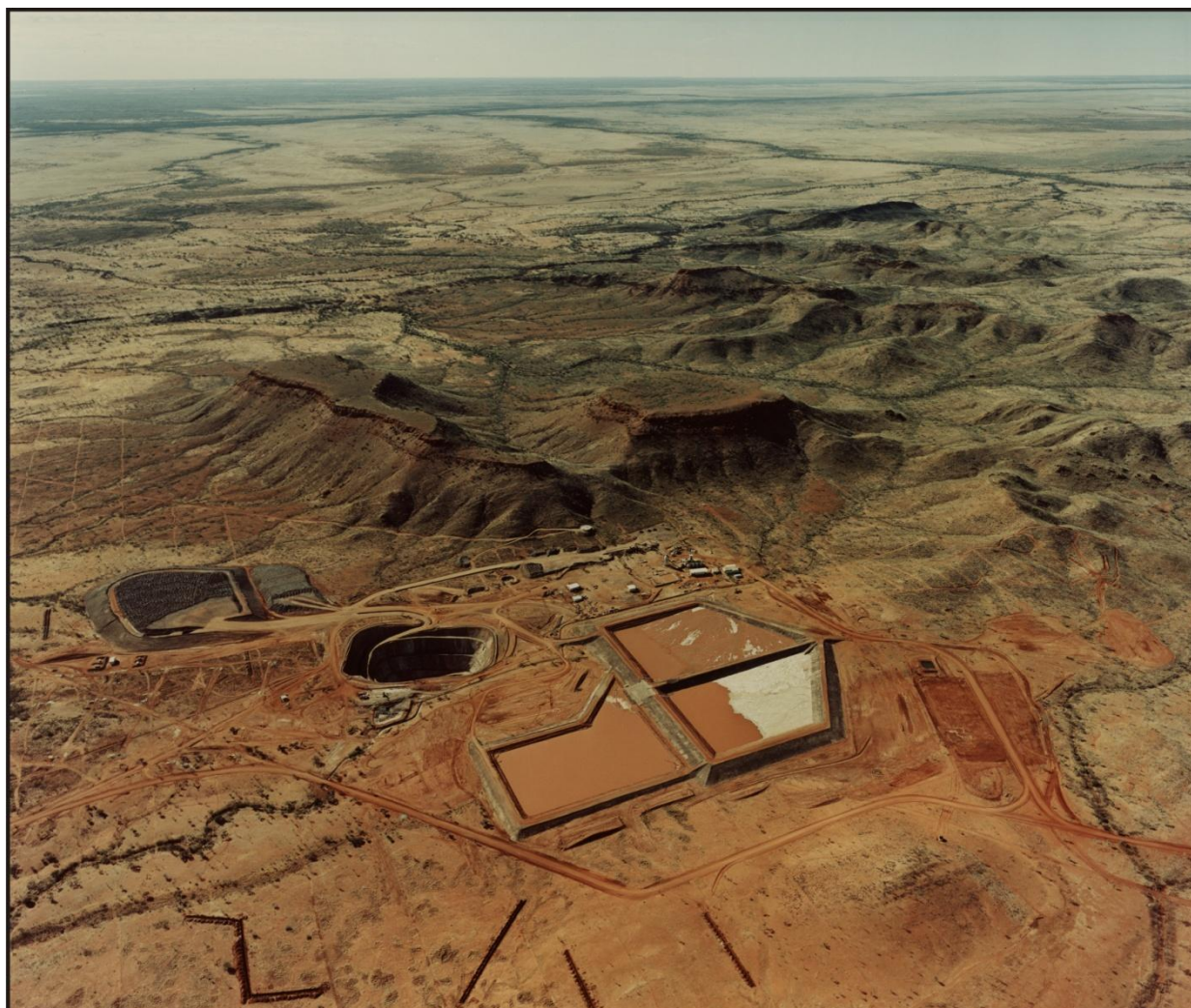


Figure 2. The Tick Hill Gold mine (circa 1993) looking easterly.

Significant progress has been made towards expediting the transfer of existing project mining lease titles to Superior's joint venture partner, Diatreme Resources Limited (**DRX**). This transfer will satisfy the remaining precondition to a farm-in and joint venture agreement between DRX and Superior. The transfer of the mining leases will enable the joint exploitation of surface gold and will also crystallise Superior's right to earn a 50% interest in the mining leases by spending \$750,000 on exploration on the project.

Superior has also commenced a process to identify mine tailings processing opportunities with third parties, which may comprise toll treatment or other joint venture processing arrangements. Together with this process, the Company is using its in-house resources to ensure that environmental and other regulatory compliance requirements are completed as efficiently as possible.

Northwest Queensland – Victor Project

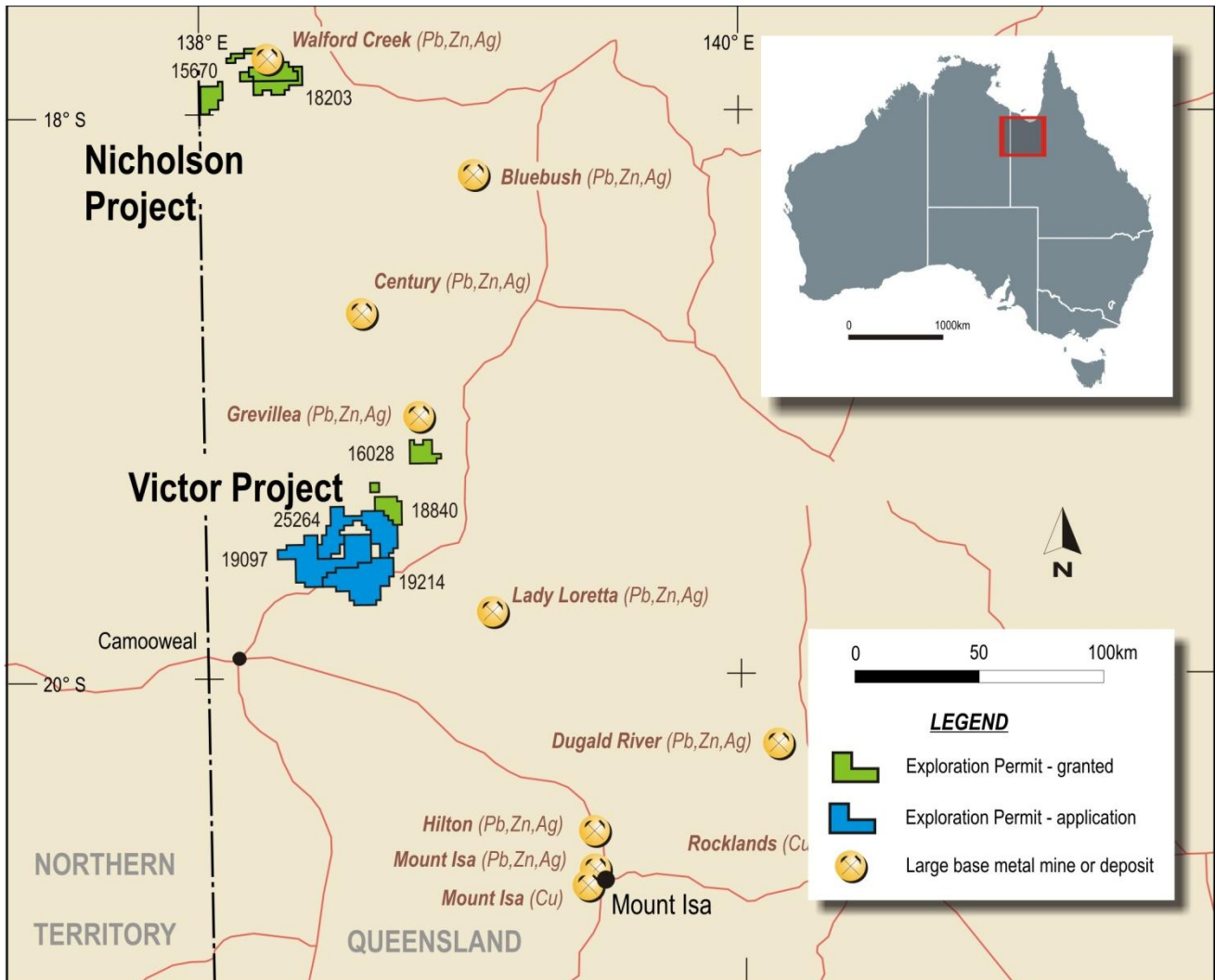


Figure 3. Northwest Queensland project locations.

The Northwest Queensland Project represents a large portfolio of world-class copper, lead and zinc exploration projects. Geophysical re-modelling during the previous period identified several high priority drill targets in two Mount Isa Style projects – Victor Project and Nicholson West Project (Figure 3).

During the quarter, Superior applied for a new exploration permit for minerals (**EPMA**) (EPMA25264, Tomahawk Creek) which covers three high order and potentially structurally controlled lead and zinc anomalous areas (Figure 4). These anomalies represent drill-ready targets, which the Company plans to investigate (including drilling) during 2015.

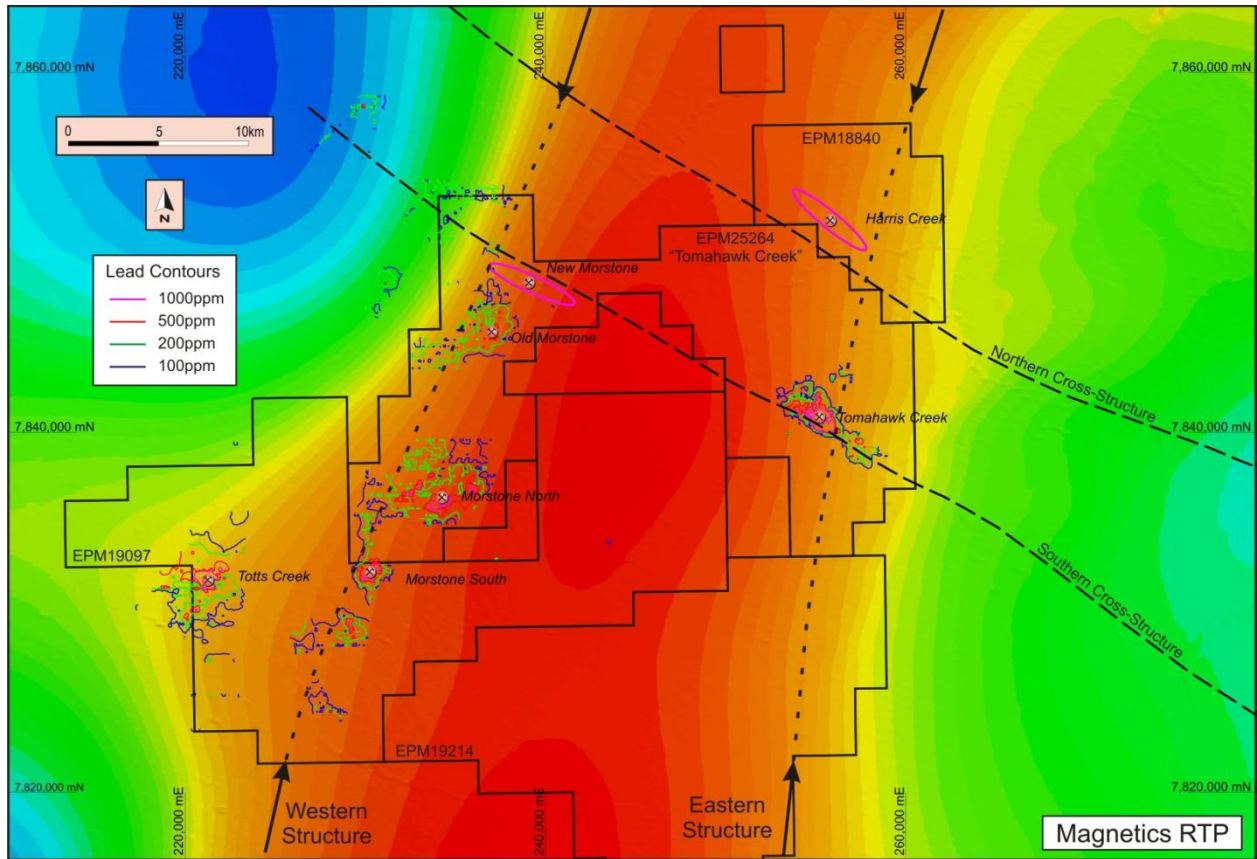


Figure 4. Victor Project – RTP magnetics the project area including the Tomahawk Creek EPMA. The interpreted approximate margins of a fault trough are indicated by the large arrows. Contoured lead values over historical soil geochemical surveys are also shown.

INVESTMENTS

SPQ maintains an exposure in relation to ASX listed uranium focused company, Deep Yellow Limited (ASX:DYL). At 30 September 2014, the company holds 7,000,000 DYL shares with a closing value of \$112,000.

Peter Hwang
Managing Director

The information in this report that relates to Exploration Results is based on information compiled by Mr Ken Harvey, a Director and shareholder of Superior Resources Limited, who is a Member of the Australian Institute of Geoscientists and a Member of the Australasian Institute of Mining and Metallurgy. Mr Harvey has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Harvey consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.



Appendix 1

JORC Code, 2012 Edition – Table 1

Section 1 – Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

| Criteria | JORC Code explanation | Commentary |
|-----------------------|---|--|
| Sampling techniques | <ul style="list-style-type: none"> Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information. | <ul style="list-style-type: none"> Not applicable |
| Drilling techniques | <ul style="list-style-type: none"> Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). | <ul style="list-style-type: none"> Not applicable |
| Drill sample recovery | <ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade | <ul style="list-style-type: none"> Not applicable |



| Criteria | JORC Code explanation | Commentary |
|--|--|--|
| | <i>and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i> | |
| Logging | <ul style="list-style-type: none"> • Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged. | <ul style="list-style-type: none"> • Not applicable |
| Sub-sampling techniques and sample preparation | <ul style="list-style-type: none"> • If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled. | <ul style="list-style-type: none"> • Not applicable |
| Quality of assay data and laboratory tests | <ul style="list-style-type: none"> • The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. | <ul style="list-style-type: none"> • Not applicable. • Not applicable. |
| Verification of sampling and assaying | <ul style="list-style-type: none"> • The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data | <ul style="list-style-type: none"> • Not applicable. |



| Criteria | JORC Code explanation | Commentary |
|---|--|---|
| | <p>verification, data storage (physical and electronic) protocols.</p> <ul style="list-style-type: none"> Discuss any adjustment to assay data. | |
| Location of data points | <ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. | <ul style="list-style-type: none"> Not applicable. |
| Data spacing and distribution | <ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. | <ul style="list-style-type: none"> Not applicable. |
| Orientation of data in relation to geological structure | <ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. | <ul style="list-style-type: none"> Not applicable |
| Sample security | <ul style="list-style-type: none"> The measures taken to ensure sample security. | <ul style="list-style-type: none"> Not applicable. |
| Audits or reviews | <ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. | <ul style="list-style-type: none"> None |

Section 2 – Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

| Criteria | JORC Code explanation | Commentary |
|---|--|---|
| Mineral tenement and land tenure status | <ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. | <ul style="list-style-type: none"> Not applicable. |



| Criteria | JORC Code explanation | Commentary |
|--|---|---|
| | <ul style="list-style-type: none"> The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. | |
| Exploration done by other parties | <ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. | <ul style="list-style-type: none"> Not applicable. |
| Geology | <ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. | <ul style="list-style-type: none"> Not applicable. |
| Drill hole Information | <ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. | <ul style="list-style-type: none"> Not applicable. |
| Data aggregation methods | <ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. | <ul style="list-style-type: none"> Not applicable. |
| Relationship between mineralisation widths and intercept | <ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true | <ul style="list-style-type: none"> Not applicable |



| Criteria | JORC Code explanation | Commentary |
|---|--|---|
| <i>lengths</i> | <i>width not known</i> ’). | |
| <i>Diagrams</i> | <ul style="list-style-type: none">• <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> | <ul style="list-style-type: none">• Not applicable. |
| <i>Balanced reporting</i> | <ul style="list-style-type: none">• <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> | <ul style="list-style-type: none">• Not applicable. |
| <i>Other substantive exploration data</i> | <ul style="list-style-type: none">• <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> | <ul style="list-style-type: none">• Not applicable. |
| <i>Further work</i> | <ul style="list-style-type: none">• <i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>• <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> | <ul style="list-style-type: none">• Not applicable. |

Section 3 – Estimation and Reporting of Mineral Resources - Mineral Resources previously reported - Not applicable

Section 4 – Estimation and Reporting of Ore Reserves - Mineral Reserves not reported - Not applicable

Section 5 – Estimation and Reporting of Diamonds and Other Gemstones - Not applicable



Appendix 2

DISCLOSURES REQUIRED UNDER ASX LISTING RULE 5.3.3

• Mining tenements held at the end of the quarter and their location

| State | Tenement Name | Tenement ID | Location | Interest | Holder | Comments |
|-------|----------------|-------------|-----------|----------|--------|------------------------|
| QLD | Suliaman Creek | EPM15040 | Dajarra | 100% | SPQ | Granted |
| QLD | Hedleys 2 | EPM15670 | Nicholson | 100% | SPQ | Granted |
| QLD | Hedleys South | EPM18203 | Nicholson | 100% | SPQ | Granted |
| QLD | Victor Creek | EPM16028 | Victor | 100% | SPQ | Granted |
| QLD | Harris Creek | EPM18840 | Victor | 100% | SPQ | Granted |
| QLD | Tots Creek | EPM(A)19097 | Victor | 100% | SPQ | Application |
| QLD | Scrubby Creek | EPM(A)19214 | Victor | 100% | SPQ | Application |
| QLD | Cockie Creek | EPM18987 | Greenvale | 100% | SPQ | Granted |
| QLD | Cassidy Creek | EPM19247 | Greenvale | 100% | SPQ | Granted |
| QLD | Dinner Creek | EPM(A)25659 | Greenvale | 100% | SPQ | Application |
| QLD | Wyandotte | EPM(A)25691 | Greenvale | 100% | SPQ | Application |
| QLD | One Mile | ML6750 | Greenvale | 100% | SPQ | Granted |
| QLD | Tomahawk Creek | EPM(A)25264 | Victor | 100% | SPQ | Application reinstated |

• Mining tenements acquired and disposed of during the quarter and their location

| State | Tenement Name | Tenement ID | Location | Interest | Holder | Comments |
|-------|------------------|-------------|----------|----------|--------|-----------------------|
| QLD | Turpentine Creek | EPM(A)19552 | Dajarra | 100% | SPQ | Application abandoned |

• Beneficial percentage interests held in farm-in or farm-out agreements at end of the quarter

| State | Project Name | Agreement Type | Parties | Interest held at end of quarter by exploration entity or child entity | Comments |
|-------|------------------------|-------------------|------------------------------------|---|--|
| QLD | Tick Hill Gold Project | Farm-in Agreement | SPQ and Diatreme Resources Limited | 0% | Announced Aug 2011, subject to pre-conditions relating to pre-existing option and sale agreement between DRX and MIM |

• Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the quarter

X

Not Applicable this quarter

Notes:

Abbreviations:

| | | |
|--------|----------------------------|---|
| EPM | Queensland | Exploration Permit for Minerals |
| EPM(A) | Queensland | Exploration Permit for Minerals (Application) |
| ML | Queensland | Mining Lease |
| SPQ | Superior Resources Limited | |
| DRX | Diatreme Resources Limited | |
| MIM | Mount Isa Mines Limited | |