

Prospectus

Superior Resources Limited

ABN 72 112 844 407

For a non-renounceable pro rata offer to Eligible Shareholders of approximately 137,608,757 New Shares at an issue price of \$0.009 per New Share on the basis of 1 New Share for every 4 Existing Shares held, together with one free attaching New Option for every two New Shares issued, to raise up to approximately \$1,238,478 before issue costs.

ASX Code: SPQ

This Prospectus provides important information about the Company. You should read the entire document including the Entitlement and Acceptance Form. If you have any questions about the New Shares being offered under this Prospectus, or any other matter relating to an investment in the Company, you should consult your professional adviser. An investment in the New Shares offered under this Prospectus is highly speculative.

This Prospectus is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the US and the District of Columbia). This Prospectus is not an offer of securities for sale into the United States or to, or for the account or benefit of, US Persons. The securities referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons. No public offering of securities is being made in the United States.

Important Notice

This Prospectus is dated 23 January 2018 and was lodged with ASIC on that date. Application will be made to ASX for quotation of the New Shares offered under this Prospectus within 7 days of this date.

Neither ASIC, ASX nor any of their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates. No securities will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

Nature of this Prospectus

The New Shares which will be issued pursuant to this Prospectus are in the same class of Shares that have been quoted on the official list of the ASX during the 12 months prior to the issue of this Prospectus.

This Prospectus is a 'transaction specific prospectus' to which the special content rules under section 713 of the Corporations Act apply. That provision allows the issue of a more concise prospectus in relation to an offer of securities in a class which has been continuously quoted by ASX in the 3 months prior to the date of the prospectus. In general terms 'transaction specific prospectuses' are only required to contain information in relation to the effect of the issue of New Shares on the Company and the rights attaching to the New Shares. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus contains information only to the extent to which it is reasonable for investors and their professional advisers to expect to find the information in it. It does not include all of the information that would be included in a prospectus for an initial public offer.

Prospectus availability

Eligible Shareholders can obtain a copy of this Prospectus during the Offer period on the Company's website at www.superiorresources.com.au or by contacting the Company. If you access an electronic copy of this Prospectus, you should ensure that you download and read the entire Prospectus.

The electronic copy of this Prospectus available from the Company's website will not include a personalised Entitlement and Acceptance Form. Eligible Shareholders will only be able to accept the Offer by completing the personalised Entitlement and Acceptance Form which accompanies this Prospectus or by making payment using BPAY® (refer to section 7.5 of this Prospectus for further information).

Foreign jurisdictions

The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are residents in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed. This Prospectus does not constitute an offer in any place in which, or to any person to whom, it should not be lawful to make such an offer.

Disclaimer of representations

No person is authorised to provide any information or make any representation in connection with the Offer which is not contained in this Prospectus.

Forward looking statements

This Prospectus contains forward looking statements that, despite being based on the Company's current expectations about future events, are subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of the Company and the Directors. These known and unknown risks, uncertainties and assumptions, could cause actual results, performance or achievements to materially differ from future results, performance or achievements expressed or implied by forward-looking statements in this Prospectus. These risks, uncertainties and assumptions include, but are not limited to, the risks outlined in section 6 of this Prospectus. Forward-looking statements include those containing such words as 'anticipate', 'estimate', 'believe', 'should', 'will', 'may' and similar expressions.

Privacy

Please read the privacy information located in section 8.14 of this Prospectus. By submitting an Entitlement and Acceptance Form, you consent to the matters outlined in that section.

Definitions

Certain terms and abbreviations used in this Prospectus have defined meanings which are explained in the Glossary.

Enquiries

Contact the Superior Resources Limited Offer Information Line on 1300 405 577 (within Australia) or +61 1300 405 577 (outside Australia) between 8.30am and 5.30pm (AEST) Monday to Friday until the Closing Date. Alternatively, consult your broker, accountant or other professional adviser.

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Corporate Directory

Directors

Mr Carlos Fernicola	Non Exec. Chairman
Mr Peter Hwang	Managing Director
Mr Ken Harvey	Non Exec. Director

Company Secretary

Mr Carlos Fernicola

Website

www.superiorresources.com.au

Registered and Principal Office

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Email: manager@superiorresources.com.au

Share Registry*

Link Market Services Limited
Level 21, 10 Eagle Street
BRISBANE QLD 4000
Shareholder enquiries: 1300 405 577
Outside Australia: +61 1300 405 577

Auditor*

PKF Hacketts Audit
Level 6, 10 Eagle Street
Brisbane QLD 4000

Solicitor to the Offer

Atkinson Corporate Lawyers

*This party is named for informational purposes only and was not involved in the preparation of this Prospectus.

1 TIMETABLE TO THE OFFER

Ex date - Shares trade ex Entitlement (Ex Date)	29 January 2018
Record date to determine Entitlement (Record Date)	30 January 2018
Prospectus with Entitlement and Acceptance Form dispatched	2 February 2018
Offer opens for receipt of Applications	
Closing date for acceptances	2 March 2018
Deferred settlement trading commences	5 March 2018
Notify ASX of under-subscriptions	7 March 2018
Issue of New Shares	9 March 2018
Deferred settlement trading ends	
Dispatch of shareholding statements	
Normal trading of New Shares expected to commence	12 March 2018
Last date to issue Shortfall Shares (see section 8.5)	2 June 2018

Note: The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date, subject to such date being no later than 3 months after the date of this Prospectus. As such the date the New Shares are expected to commence trading on ASX may vary.

2 KEY OFFER TERMS AND CAPITAL STRUCTURE

Shares currently on issue ¹	550,435,028
Options currently on issue ²	72,131,609
New Shares offered under this Prospectus ¹	137,608,757
New Options offered under this Prospectus	68,804,378
Amount raised under this Prospectus (before costs) ¹	Up to \$1,238,478

Notes:

- 1 This assumes no further Shares are issued (including by way of exercise of Options) prior to the Record Date.
- 2 See section 5.4 for more details.

3 CHAIRMAN'S LETTER

Dear Shareholder,

As announced on 17 January 2018, Superior Resources is undertaking a non-renounceable rights issue to progress its highly exciting portfolio of projects. Together with an over-subscribed placement to sophisticated investors, the rights issue, if fully subscribed, will raise approximately \$1.863 million, which will enable the Company to substantially progress new cobalt projects as well as its other key projects.

Each of the Company's north west Queensland and north east Queensland projects include several prospects that recent exploration work in 2017 has demonstrated have excellent potential for the discovery of significant lead-zinc and copper-gold deposits. In particular, the following targets have been identified:

Nicholson Project

- Nicholson West lead-zinc geophysical target
- Teck Australia earn-in and JV AMT target

Greenvale Project

- Bottletree potential large copper-gold porphyry prospect
- Galah Dam potential copper-gold-zinc-silver porphyry prospect
- Steam Engine Gold Deposit
- Wyandotte copper prospect

In addition and as reported on 18 December 2017, the Company's additional focus on cobalt has revealed the new Lucky Creek nickel-cobalt prospect at the Company's Greenvale Project; located only about 12 kilometres from the Australian Mines' SCONI (scandium-cobalt-nickel). The Cobalt focus will expand during 2018 with our on-going data review of the Greenvale Project and adjacent ground, review of parts of the Nicholson Project adjacent to Aeon Metals' Walford Creek Project, and the development of new project areas near the Company's Victor Project.

The rights issue offers one new share for every four shares held on 30 January 2018 at a price of 0.9 cents per share, with one free attaching option with an exercise price of 1.6 cents, expiring on 31 August 2019, for every 2 shares subscribed for. The Offer represents a 18.18% discount to the last closing price of A\$0.011 and a 24.05% discount to the 15 day VWAP of A\$0.01185 prior to the Offer being announced.

This rights issue is an opportunity for all shareholders to increase your investment in your company at an attractive price and to participate in what the Board considers, will be an exciting year ahead. However, participating in the offer is not without risk, including that the Company has only undertaken limited exploration on its projects and there is significant exploration risk.

The Board wishes to thank you for your continued support of the Company and encourages you to take up your entitlements under this rights issue.

Yours faithfully

Carlos Fernicola
Chairman
Superior Resources Limited

4 INVESTMENT OVERVIEW AND KEY RISKS

This information is a selective overview only. Prospective investors should read the Prospectus in full before deciding to invest in New Shares.

Question	Response	Where to find more information
What is the Offer?	<p>1 New Share for every 4 Existing Shares held on the Record Date an issue price of \$0.009, with 1 attaching New Option for every 2 New Shares issued.</p> <p>The Offer seeks to issue up to 137,608,757 New Shares and 68,804,378 New Options to raise up to approximately \$1,238,478 (before costs) if fully subscribed.</p>	Section 8
Am I an Eligible Shareholder?	<p>The Offer is made to Eligible Shareholders, being Shareholders who:</p> <p>(a) are the registered holder of Shares as at 5.00pm (AEST) on the Record Date; and</p> <p>(b) have a registered address in Australia or New Zealand.</p> <p>Shareholders who are not eligible to participate in the Offer may not participate in the Offer.</p>	Section 8.5
How will the proceeds of the Offer be used?	<p>Funds raised under the Offer will, depending upon the amount raised and exploration success, be used for exploration on the Company's projects, with the priority being Greenvale Project, including an initial exploration program on the recently recognised Lucky Creek co-Ni-Cu Prospect, a phase 2 drilling program on the Steam Engine Prospect, an IP geophysical survey on the Bottletree potential porphyry copper prospect and an initial drilling program on the Wyandotte copper prospect.</p>	Section 5.2
What are the key risks of a subscription under the Offer?	<p>An investment in the Company has risks that you should consider before making a decision to invest. These risks include:</p> <ul style="list-style-type: none">• Future capital needs and additional funding - Funds raised under the Offer will be used on exploration on the Company's projects. There is a risk that these funds will not be sufficient (particularly given that there is no minimum subscription under the Offer) and that further funds will be required to complete the proposed exploration programs.• The Company projects are early stage exploration projects which carry significant exploration risk.	Section 6

Question	Response	Where to find more information
	Please carefully consider these risks and the information contained in other sections of this Prospectus before deciding whether or not to apply for New Shares.	
Is the Offer underwritten?	No.	
Is the Offer subject to any conditions?	No.	
What will be the effect of the Offer on control of the Company?	<p>The effect of the Offer on control of the Company will vary with the level of Entitlements taken up by Eligible Shareholders and the number of Shortfall Shares placed in the Shortfall Offer.</p> <p>No Shareholder may increase their voting power above 20% as a result of the Offer.</p>	Section 5.5
How do I apply for New Shares and Shortfall Shares under the Offer?	Applications for New Shares and Shortfall Shares can be made by Eligible Shareholders completing the relevant sections of the personalised Entitlement and Acceptance Form and sending it to the Share Registry together with payment by cheque or BPAY in the amount of Entitlement and Shortfall Shares applied for.	Section 7.2
Can I sell my Entitlements under the Offer?	No, the Offer is non-renounceable meaning Entitlement may not be transferred.	
How will the Shortfall Shares be allocated?	The Directors reserve the right to place any Shortfall Shares at their discretion within 3 months of the Closing Date.	Section 8.5
How can I obtain further advice?	Contact the Superior Resources Limited Offer Information Line on 1300 405 577 (within Australia) or +61 1300 405 577 (outside Australia) between 8.30am and 5.30pm (AEST) Monday to Friday until the Closing Date. Alternatively, consult your broker, accountant or other professional adviser.	

5 PURPOSE AND EFFECT OF THE OFFER

5.1 Introduction

The Company is seeking to raise up to approximately \$1,238,478 before issue costs under the Offer at a price of \$0.009 per Share on the basis of 1 New Share for every 4 Existing Shares held as at the Record Date, with 1 New Option for every 2 New Shares issued.

5.2 Purpose of the Offer

The Directors intend to apply the proceeds from the Offer as follows:

Use of funds

Exploration - comprising

Greenvale Project

- An initial exploration program on the recently recognised Lucky Creek Co-Ni-Cu Prospect. This will comprise initial field geological reconnaissance and drill program planning, followed by a maiden drilling program on the Co-Ni and (possibly) separate Cu targets. This will likely commence towards the latter part of Q1 when access becomes possible;
- Follow-up drilling program if warranted on the Lucky Creek Prospect;
- Potential regulatory and exploration work on any additional Cobalt prospects that may be generated in the Greenvale region;
- Phase 2 drilling program on the Steam Engine Prospect to increase the current maiden gold mineral resource;
- IP geophysical survey on the Bottletree potential porphyry copper prospect; and
- Initial drilling program on the Wyandotte copper prospect and development of an initial mineral resource;

Nicholson Project

- Potentially, and subject to suitable arrangements with Teck, exploration work including drilling on cobalt and Pb-Zn-Cu targets at the Nicholson Project;

Notes:

- 1 This table is a statement of the proposed application of the funds raised as at the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the Company's decisions. The Company reserves the right to vary the way funds are applied.

The Offer will also satisfy section 708(11) of the Corporations Act so that Shares issued by the Company on 22 January 2018 (and for which the Company raised approximately \$625,000 before costs) may be offered for sale without disclosure.

5.3 Statement of financial position

Set out in section 13 is the unaudited statement of financial position, as at 31 December 2017 and on the basis of the following assumptions:

- (a) the Placement and the Offer were effected on 31 December 2017;
- (b) no further Shares are issued (including by way of exercise of Options) other than all Shares offered under this Prospectus;
- (c) take up of the Offer assuming no and Full Subscription are received; and
- (d) costs of the Offer are \$87,000.

The pro-forma Statement of Financial Position has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company set out in section 13. The pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

5.4 Effect of the Offer on the Company's securities

Assuming that no further Shares are issued prior to the Record Date (including by way of exercise of Options), at the close of the Offer, the capital structure of the Company will be:

Shares	Full Subscription	
	Number	%
Existing Shares	550,435,028	75
New Shares offered under this Prospectus	137,608,757	25
Total Shares	688,063,785	100

Options ¹	Full Subscription
Unquoted options with an exercise price of \$0.03 expiring on 30 June 2019	37,375,000
New Options with an exercise price of \$0.016 expiring on 31 August 2019	68,804,378
Total Options	106,179,378

¹ The terms of the Options on issue do not allow for the exercise price to change following a rights issue.

5.5 Effect on control

There will be no effect on control of the Company if all Shareholders take up their Entitlement.

No person's voting power in the Company may increase to 20% or more as a result of the issue of the New Securities.

5.6 Dilution

Shareholders who do not participate in the Offer will have their holdings diluted. Following is a table which sets out the dilutionary effect, assuming the full amount is raised and no further Shares are issued or Options exercised:

Holding at Record Date		Entitlement	Holding following the Offer if no Entitlement taken up	
Number	%		Number	%
5,000,000	0.91	1,250,000	5,000,000	0.73
10,000,000	1.82	2,500,000	10,000,000	1.45
20,000,000	3.63	5,000,000	20,000,000	2.91
50,000,000	9.08	12,500,000	50,000,000	7.27

6 RISK FACTORS

The New Shares offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below and together with information contained elsewhere in this Prospectus and to consult with your professional advisers before deciding whether to apply for the New Shares pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the New Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

6.1 Risks specific to the Offer

(a) Dilution

Shareholders who do not take up their Entitlement will have their holding in the Company diluted. Details of dilution are set out in section 5.6 above.

(b) Control

The Directors have taken reasonable steps to help ensure a reasonable distribution of voting power under the Offer. However, assuming some shareholders take up their Entitlement and others do not, there is a risk that voting power may be consolidated among fewer shareholders and the interests of these Shareholders may not align with other Shareholders' interests.

(c) No minimum subscription

There is no minimum subscription under the Offer. There is a risk that the Company may not raise sufficient funds under the Offer to carry out its proposed exploration programs.

6.2 Company and industry specific risks

The risks outlined below are specific to the Company's operations and to the resource exploration industry in which the Company operates.

(a) Future capital needs and additional funding

The funds raised by the Offer will primarily be used to fund exploration on the Company's Greenvale and North West Queensland Projects (Nicholson and Victor Projects). Funds will also be used for general working capital (refer section 5.2). There is a risk that these funds will not be sufficient to complete the proposed work and that further funding will be required.

The Company's ability to raise further capital (equity or debt) within an acceptable time, of a sufficient amount and on terms acceptable to the Company will vary according to a number of factors, including the prospectivity of projects (existing and future), the results of exploration, subsequent feasibility studies, development and mining, stock market and industry conditions and the price of relevant commodities and exchange rates.

No assurance can be given that future funding will be available to the Company on favourable terms (or at all). If adequate funds are not available on acceptable terms the Company may not be able to further develop its projects and it may impact on the Company's ability to continue as a going concern.

(b) Exploration risks

To date, the Company has undertaken limited exploration on its Greenvale and North West Queensland Projects (Nicholson and Victor Projects). The main exploration work undertaken by the Company to date on these projects has been disclosed in the Company's previous ASX announcements and mainly comprise various methods of geophysical surveying and analysis, rock chip and soil geochemical surveying and varying degrees of exploration drilling. The exploration work can be summarily described as investigative and follow-up mineral exploration work. With respect to the Cockie Creek Prospect and the Steam Engine Prospect, more advanced stage mineral resource estimation work has been undertaken, resulting in the establishment of mineral resource estimates.

No assurance can be given that further exploration work will be successful or that a commercial mining operation will eventuate.

The ultimate success and financial viability of the Company depends on the discovery and delineation of economically recoverable Ore Reserves, design and construction of efficient mining and processing facilities, and competent operational and managerial performance.

There is no assurance that exploration and development of the mineral interests held by the Company, or any other projects that may be acquired by the Company in the future, will result in the discovery of an economic deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be profitably exploited.

Development of a commercial mining operation is also dependent on the Company's ability to obtain necessary titles and governmental and other regulatory approvals.

(c) Mineral Resource estimates

The Company has announced Mineral Resource Estimates in respect of its Cockie Creek Prospect (reported in compliance with the JORC Code 2004) and Stream Engine Gold Prospect (reported in compliance with the JORC Code 2012). A Mineral Resource Estimate (JORC Code 2012 compliant) has also been announced in respect of the Tick Hill Project under a farm-in and joint venture agreement between the Company and Diatrema Resources Limited.

These are expressions of judgement based on knowledge, experience and industry practice (refer to the JORC Code for further information on resource estimation). Estimates that were valid when originally made may alter significantly when new information or techniques become available.

In addition, by their very nature, resource estimates are imprecise and depend on interpretations which may prove to be inaccurate, and whilst the Company will employ industry-standard techniques including compliance with the JORC Code to reduce the resource estimation risk, there is no assurance that this approach will alter the risk. As further information becomes available, resource estimates may change. This may result in alterations to mining and development plans which may in turn adversely affect the Company.

(d) Title risk

Mining and exploration tenements are subject to periodic renewal of term and regulatory compliance. The table below sets out the tenements that have terms expiring within 12 months of the date of this Prospectus.

Tenement	Name	Project	Date of Expiry
EPM18987	Cockie Creek	Greenvale	24 September 2018
EPM19247	Cassidy Creek	Greenvale	27 May 2018
ML6750	One Mile	Greenvale	31 October 2017

There is no guarantee that renewal of the current or future tenements will be approved or maintained. Renewal of the term of a granted tenement is at the discretion of the relevant government authority. Renewal conditions may include increased expenditure or work commitments or compulsory relinquishment of areas comprising the Company's projects. The imposition of new conditions or the inability to meet any specific or standard regulatory conditions may adversely affect the operations, financial position and/or performance of the Company.

(e) Tenement holding costs and expenditure commitments

Tenements carry with them various obligations in regard to minimum expenditure levels. There is a risk that failure to meet statutory expenditure requirements may result in the forfeiture of a tenement.

Each permit or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance such as the payment of tenement rents and rates. Consequently, the Company could lose title to or its interest in the tenements if permit or lease conditions are not met or if insufficient funds are available to meet expenditure commitments.

(f) Native title and access risk

The Company's exploration and mining activities in Australia are derived from rights and interests that are provided by granted mining and exploration tenements that it holds. The valid grant and renewal of these tenements are subject to compliance with statutory procedures under the *Native Title Act 1993* (Cth) and associated law relating to Native Title and Aboriginal land. The exercise of rights under the tenements may be affected by laws relating to aboriginal cultural heritage, such as the *Aboriginal Cultural Heritage Act 2003* (Qld) and the *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Cth).

The Company's current and future exploration and mining activities can be affected by native title claims and determinations, aboriginal land claims and related compensation claim considerations.

The Company may also be required to comply with conditions imposed on the exploration and mining tenement titles or separately negotiated cultural heritage agreements, which require heritage survey work to be undertaken ahead of the commencement of exploration and mining activities. It is possible that aboriginal sites of significance may be found within tenements held by the Company, which may preclude, delay or introduce additional costs in respect of the conduct of the exploration and mining activities.

(g) Commodity prices

As an explorer for gold, copper, zinc, lead, cobalt and potentially other minerals, any earnings of the Company are expected to be closely related to the price of these commodities.

Commodities prices fluctuate and are affected by numerous factors beyond the control of the Company. These factors include worldwide and regional supply and demand for commodities, general world economic conditions and the outlook for interest rates, inflation and other economic factors on both a regional and global basis. These factors may have a positive or negative effect on the Company's exploration, project development and production plans and activities, together with the ability to fund those plans and activities.

(h) Environmental risks

The operations and proposed activities of the Company are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.

Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in delay to anticipated exploration programs or mining activities.

(i) Joint venture, acquisitions or other strategic investments

The Company has entered into the following farm-in and joint venture agreements, under which the counterparty is sole funding exploration]:

- (i) Earn-in and Joint Venture Agreement with Teck Australia Pty Ltd, a wholly-owned subsidiary of Teck Resources Limited (Canada's largest diversified resource company), to explore the Company's Nicholson Project in North West Queensland. Under the terms of the agreement, Teck is the current operator and is sole funding exploration work and the prescribed regulatory expenses, which include the payment of rents and rates; and
- (ii) Farm-in and Joint Venture Agreement with Diatreme Resources Limited, to explore the Tick Hill Project. Under the terms of this agreement the Company is the operator, although further work is not planned to be conducted within the next 12 months. The parties to the agreement are in discussions regarding the operational and commercial pathways and options in respect of the project and the agreement.

The Company may in the future become a party to other joint venture agreements governing the exploration and development of its projects. There is a risk that one of the Company's joint venture partners may default in their joint venture obligations or not act in the best interests of the joint venture or project. This may have an adverse effect on the interests and prospects of the Company.

The Company is actively pursuing investment opportunities to deliver new value adding projects. However, there is a risk that the Company may not be successful in finding suitable projects or acquiring those projects. While the Company will spend money evaluating and assessing new opportunities, these opportunities may not be suitable for the Company. This could adversely impact on the assets, operations and financial performance of the Company and its securities.

The Company may enter into strategic investments in complementary businesses, or enter into strategic alliances or partnerships with third parties in order to enhance its business. Such arrangements involve a wide range of risks.

(j) Key people

The responsibility of overseeing the Company's operations and strategic management depends substantially on its Directors and key personnel. There can be no assurance that there will not be a detrimental impact on the Company if one or more of these persons cease their employment or involvement with the Company.

6.3 General investment risks

The risks outlined below are some of the general risks that may affect an investment in the Company.

(a) Securities investments and share market conditions

There are risks associated with any securities investment. The prices at which the securities trade may fluctuate in response to a number of factors.

Furthermore, the stock market, and in particular the market for mineral exploration companies may experience extreme price and volume fluctuations that may be unrelated or disproportionate to the operating performance of such companies. These factors may materially adversely affect the market price of the securities of the Company regardless of the Company's operational performance. Neither the Company nor the Directors warrant the future performance of the Company, or any return on an investment in the Company.

(b) Liquidity risk

The market for the Company's Shares may at various times be illiquid. As a consequence, investors may be unable to readily exit or realise their investment.

(c) Economic risk

Changes in both Australia and world economic conditions may adversely affect the financial performance of the Company. Factors such as inflation, currency fluctuations, interest rates, industrial disruption and economic growth may impact on future operations and earnings. The Company's possible revenues and price of its securities can be affected by these factors which are beyond the control of the Company and its Directors.

7 ACTIONS REQUIRED BY ELIGIBLE SHAREHOLDERS

7.1 What you may do

As an Eligible Shareholder, you may:

- (a) subscribe for all or part of your Entitlement (see section 7.2);
- (b) subscribe for all of your Entitlement and apply for Shortfall Securities (see section 7.3);
- (c) allow all or part of your Entitlement to lapse (see section 7.4).

7.2 Subscribe for all or part of your Entitlement

Applicants should read this Prospectus in its entirety in order to make an informed decision on the prospects of the Company and the rights attaching to the New Shares and attaching New Options offered by this Prospectus before deciding to apply for New Shares. If you do not understand this Prospectus you should consult your stockbroker, accountant or other professional adviser in order to satisfy yourself as to the contents of this Prospectus.

If you wish to subscribe for all or part of your Entitlement, complete the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on that form. The Entitlement and Acceptance Form sets out the number of New Shares and attaching options you are entitled to subscribe for.

7.3 Subscribe for all of your Entitlement and apply for Shortfall Shares

Eligible Shareholders who take up their Entitlement in full may, in addition to their Entitlement, apply for Shortfall Shares regardless of the size of their present holding by completing the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on that form. See section 8.5 for details of the manner in which Shortfall Shares will be allocated.

Surplus application moneys will be returned to Applicants as soon as practicable following the close of the Offer.

7.4 Allow all or part of your Entitlement to lapse

If you are an Eligible Shareholder and do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

If you take no action, your Entitlement will lapse. You will receive no benefit or New Shares and your Entitlement will become Shortfall Shares.

If you wish to participate in the Offer, you must take action to accept your Entitlement in accordance with the instructions above and on the accompanying personalised Entitlement and Acceptance Form.

The number of Existing Shares you hold as at the Record Date and the rights attached to those Existing Shares will not be affected if you choose not to accept any of your Entitlement.

7.5 Payment methods

BPAY

If you are paying by BPAY, refer to your personalised instructions on your Entitlement and Acceptance Form. Shareholders who wish to pay by BPAY must ensure that payment is received by no later than 5.00pm AEST on the Closing Date.

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. It is your responsibility to ensure that funds submitted through BPAY are received by 5.00pm AEST on the Closing Date.

If you have more than one shareholding and consequently receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those shareholdings only use the Customer Reference Number specific to that shareholding as set

out in the applicable Entitlement and Acceptance Form. Do not use the same Customer Reference Number for more than one of your shareholdings. This can result in your application monies being applied to your Entitlement in respect of only one of your shareholdings (with the result that any application in respect of your remaining shareholdings will not be recognised as valid).

The Company will not be responsible for any postal or delivery delays or delay in the receipt of the BPAY payment.

Cheque, bank draft or money order

Alternatively, if you are paying by cheque, bank draft or money order, the completed Entitlement and Acceptance Form must be accompanied by a cheque, bank draft or money order made payable to ‘Superior Resources Limited’ and crossed ‘Not Negotiable’ for the appropriate application money in Australian dollars calculated at \$0.009 per New Share accepted. Your cheque, bank draft or money order must be paid in Australian currency and be drawn on an Australian branch of an Australian financial institution. The Company will present the cheque or bank draft on the day of receipt of the Entitlement and Acceptance Form. You must ensure that your cheque account has sufficient funds to cover your payment, as your cheque will be presented for payment on receipt. If your bank dishonours your cheque your application will be rejected. Dishonoured cheques will not be re-presented.

If the amount of your cheque(s), bank draft(s) or money order(s) for application money (or the amount for which those cheque(s) or bank draft(s) clear in time for allocation) is insufficient to pay for the number of New Shares you have applied for in your Entitlement and Acceptance Form, you may be taken to have applied for such lower number of New Shares as your cleared application money will pay for (and to have specified that number of New Shares in your Entitlement and Acceptance Form) or your Application may be rejected.

The Entitlement and Acceptance Form must be received by the Company at the following addresses by no later than 5.00pm (AEST) on the Closing Date:

By Post:	By Hand Delivery:
Superior Resources Limited c/-Link Market Services Limited GPO Box 3560 Sydney NSW 2001	Superior Resources Limited c/- Link Market Services Limited 1A Homebush Bay Drive Rhodes NSW 2138 (please do not use this address for mailing)

7.6 Entitlement and Acceptance Form is binding

Receipt of a completed and lodged Entitlement and Acceptance Form together with a cheque, bank draft or money order for the application monies, or by making a payment in respect of an Application by BPAY, constitutes a binding offer to acquire New Shares on the terms and conditions set out in this Prospectus and, once lodged, cannot be withdrawn.

By completing and returning your Entitlement and Acceptance Form with the requisite application monies, or by making a payment in respect of an Application by BPAY, you will be deemed to have represented that you are an Eligible Shareholder. In addition, you will also be deemed to have represented and warranted on behalf of yourself or each person on whose account you are acting that the law in your place of residence and/or where you have

been given the Prospectus, does not prohibit you from being given the Prospectus and that you:

- (a) agree to be bound by the terms of the Offer;
- (b) declare that all details and statements in the Entitlement and Acceptance Form are complete and accurate;
- (c) declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Entitlement and Acceptance Form;
- (d) authorise the Company and its respective officers or agents, to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instructions of the Company's share registry upon using the contact details set out in the Entitlement and Acceptance Form;
- (e) declare that you are the current registered holder of Shares and are an Australian or New Zealand resident, and you are not in the United States or a US Person, or acting for the account or benefit of a US Person;
- (f) acknowledge that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs; and
- (g) acknowledge that the New Shares have not, and will not be, registered under the securities laws in any other jurisdictions outside Australia and New Zealand and accordingly, the New Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of applicable securities laws in particular the US Securities Act.

The Entitlement and Acceptance Form does not need to be signed to be a valid application. An Application will be deemed to have been accepted by the Company upon the issue of the New Shares.

If the Entitlement and Acceptance Form is not completed correctly or if the accompanying payment of the application monies is for the wrong amount, it may still be treated as a valid application for New Shares. The Directors' decision whether to treat an acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final. However, an Applicant will not be treated as having applied for more Shares than is indicated by the amount of the application monies received by the Company.

8 DETAILS OF THE OFFER

8.1 Shares offered for subscription

By this Prospectus the Company makes a non-renounceable pro rata offer to Eligible Shareholders on the basis of 1 New Share for every 4 Existing Shares held as at the Record Date at a price of \$0.009 per New Share, with 1 New Option for every 2 new Shares issued, to raise up to approximately \$1,238,478 before issue costs. Fractional entitlements will be rounded down to the nearest whole number.

The Offer is only open to Eligible Shareholders. The Company reserves the right to reject any application that it believes comes from a person who is not an Eligible Shareholder.

Details of how to apply for New Shares are set out at section 7.

All New Shares offered under this Prospectus will rank equally with Existing Shares. The rights and liabilities of the New Shares offered under this Prospectus are summarised in section 9.

8.2 Minimum subscription

There is no minimum subscription under the Offer.

8.3 Acceptances

This Offer may be accepted in whole or in part prior to the Closing Date subject to the rights of the Company to extend the Offer period or close the Offer early.

Instructions for accepting your Entitlement are set out in section 7 and on the Entitlement and Acceptance Form which accompanies this Prospectus.

8.4 Entitlement to Offer

The Offer is made to Eligible Shareholders, who are those Shareholders that:

- (a) are the registered holder of Shares as at 5.00pm (AEST) on the Record Date; and
- (b) have a registered address in Australia or New Zealand.

8.5 Shortfall

Any New Shares not applied for under the Offer will become Shortfall Shares. The Directors reserve the right to issue any Shortfall Shares at their discretion within 3 months after the Closing Date (**Shortfall Offer**).

The Shortfall Offer is, to the extent it is made in Australia, made under this Prospectus. To the extent the Shortfall Offer is made outside Australia, the Shortfall Offer is made without disclosure, a prospectus, lodgement, filing or registration, or other requirements of any applicable securities law, and only in circumstances where it is lawful to do so (such as to institutional or sophisticated investors).

Eligible Shareholders may apply for Shortfall Shares by completing the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on that form. Other investors who are not Eligible Shareholders may apply for Shortfall Shares using the Shortfall Application Form attached to this Prospectus. Persons outside Australia doing so represent to the Company that they can apply for Shortfall Shares in circumstances which do not require the offer for Shortfall Shares or this Prospectus to be registered.

It is possible that there may be no Shortfall Shares available for issue.

Subject to the above, the Directors reserve the right at their absolute discretion to reject any application for Shortfall Shares or to issue a lesser number of Shortfall Shares than that applied for, and it is an express term of the Shortfall Offer that applicants for Shortfall Shares will be bound to accept a lesser number of Shortfall Shares allocated to them than applied for. If a lesser number is allocated, excess application money will be refunded without interest as soon as practicable after the Closing Date.

8.6 New Zealand Shareholders

The Offer contained in this Prospectus to Eligible Shareholders with registered addresses in New Zealand is made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand). Members of the public in New Zealand who are not existing Shareholders on the Record Date are not entitled to apply for any New Shares. This Prospectus has not been registered, filed or approved by any New Zealand regulatory authority. This Prospectus is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

8.7 Treatment of Ineligible Shareholders and sale for Ineligible Shareholders' Entitlement

Given the small number of Ineligible Shareholders and the cost of complying with applicable regulations outside Australia and New Zealand, the Company has decided that it would be unreasonable to extend the Offer to Ineligible Shareholders. The Prospectus will not be sent to those Shareholders.

This Prospectus does not constitute an offer of securities in any jurisdiction where, or to any person to whom, it would not be lawful to issue the Prospectus or make the Offer. No action has been taken to register or qualify the New Shares or the Offer or otherwise to permit an offering of the New Shares in any jurisdiction other than as set out in this section.

This document is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the US and the District of Columbia). This document is not an offer of securities for sale into the United States or to, or for the account or benefit of, US Persons. The securities referred to herein have not been and will not be registered under the US Securities Act, and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons. No public offering of securities is being made in the United States.

Recipients may not send or otherwise distribute this Prospectus or the Entitlement and Acceptance Form to any person outside Australia or New Zealand (other than to Eligible Shareholders).

8.8 Beneficial holders, nominees, trustees and custodians

The foreign selling restrictions under the Offer summarised in section 8.9 of this Prospectus apply to the underlying beneficial holder. Nominees, trustees and custodians must not apply on behalf of any beneficial holder that would not itself be an Eligible Shareholder. Shareholders who are nominees, trustees or custodians are advised to seek independent advice as to how they should proceed. Shareholders who hold Shares on behalf of persons whose registered address is not in Australia or New Zealand are responsible for ensuring that applying for New Shares does not breach securities laws in the relevant overseas jurisdictions.

Nominees and custodians that hold Shares should note that the Offer is available only to Eligible Shareholders. The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of securities. If any nominee or custodian is acting on behalf of a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Offer is compatible with applicable foreign laws.

8.9 Allotment and application money

New Shares will be issued only after all application money has been received and ASX has granted permission for the New Shares to be quoted. It is expected that New Shares will be issued on 9 March 2018 and normal trading of the New Shares on ASX is expected to commence on 12 March 2018.

All application monies will be deposited into a separate bank account of the Company and held in trust for Applicants until the Shares are issued or application monies returned. Any interest that accrues will be retained by the Company and will not be paid to Applicants.

8.10 Quotation

The Company will apply to ASX within 7 days after the date of this Prospectus for quotation of the New Shares offered by this Prospectus on ASX. If ASX does not grant permission for the quotation of the New Shares offered under this Prospectus within 3 months after the date of this Prospectus, or such longer period as modified by ASIC, none of the New Shares offered by this Prospectus will be allotted or issued. In these circumstances, all Applications will be dealt with in accordance with the Corporations Act including the return of all application monies without interest.

A decision by ASX to grant official quotation of the New Shares is not to be taken in any way as an indication of ASX's view as to the merits of the Company or of the New Shares.

Quotation, if granted, of the New Shares offered by this Prospectus will commence as soon as practicable after statements of holdings of the New Shares are dispatched.

8.11 Market prices of Existing Shares on ASX

The highest and lowest market sale price of the Existing Shares, which are on the same terms and conditions as the New Shares being offered under this Prospectus, during the 3 months immediately preceding the lodgement of this Prospectus with the ASIC, and the last market sale price on the date before the lodgement date of this Prospectus, are set out below.

	3 month high	3 month low	Last market sale price
Price (\$)	\$0.025	\$0.007	\$0.025
Date	22 January 2018	6 December 2017	22 January 2018

8.12 CHESS

The Company participates in the Clearing House Electronic Subregister System (**CHESS**). CHESS is operated by ASX Settlement Pty Ltd (**ASPL**), a wholly owned subsidiary of ASX.

Under CHESS, the Company does not issue certificates to investors. Instead, security holders will receive a statement of their holdings in the Company, including New Shares issued under this Prospectus. If an investor is broker sponsored, ASPL will send a CHESS statement.

The CHESS statement will set out the number of New Shares issued under this Prospectus, provide details of your holder identification number and give the participation identification number of the sponsor.

If you are registered on the issuer sponsored sub register, your statement will be dispatched by the Company's share registrar and will contain the number of New Shares issued to you under this Prospectus and your security holder reference number.

A CHESS statement or issuer sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes. Shareholders may request a statement at any other time, however, a charge may be made for additional statements.

8.13 Taxation and duty implications

The Directors do not consider that it is appropriate to give Shareholders advice regarding the taxation consequences of the Company conducting the Offer or Shareholders applying for New Shares under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation positions of Shareholders. The Company, its advisers and officers, do not accept any responsibility or liability for any taxation consequences to Shareholders in the Offer. Shareholders should, therefore, consult their own professional tax adviser in connection with the taxation implications of the Offer.

No brokerage or stamp duty is payable by Applicants in respect of Applications for New Shares under this Prospectus.

8.14 Privacy

The Company collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's security holding in the Company.

By submitting an Entitlement and Acceptance Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Entitlement and Acceptance Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related body corporates, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

The Corporations Act requires the Company to include information about the Shareholder (including name, address and details of the Shares held) in its public register. The information contained in the Company's public register must remain there even if that person ceases to be a Shareholder. Information contained in the Company's register is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its security holders) and compliance by the Company with legal and regulatory requirements.

If you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your Application. An Applicant has the right to gain access to the information that the Company holds about that person subject to certain exceptions under law. A fee may be charged for access. Such requests must be made in writing to the Company's registered office.

8.15 Enquiries

Contact the Superior Resources Limited Offer Information Line on 1300 405 577 (within Australia) or +61 1300 405 577 (outside Australia) between 8.30am and 5.30pm (AEST) Monday to Friday.

You can also contact your stockbroker or professional adviser with any queries in relation to the Offer.

9 RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

9.1 Rights and liabilities attaching to Shares

Full details of the rights and liabilities attaching to the Shares are:

- detailed in the Constitution, a copy of which can be inspected, free of charge, at the registered office of the Company during normal business hours; and
- in certain circumstances, regulated by the Corporations Act, the Listing Rules and the general law.

The following is a summary of the more significant rights and liabilities attaching to the Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

(a) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at a general meeting of members every member has one vote on a show of hands and one vote per Share on a poll. Voting may be in person or by proxy, attorney or representative.

(b) Dividends

Except as otherwise required by the Corporations Act and to the terms on which shares are on issue and the rights and restrictions attaching to shares, the Directors may from time to time:

- declare dividends (whether final or interim) to be paid to members on such terms, including the amount and the time for and the method of payment, as the Directors think fit; or
- determine that a dividend is payable, fix the amount and time for payment.

(c) Future issues of securities

Subject to the Corporations Act and the Listing Rules, the Directors may issue, grant options over, or otherwise dispose of unissued shares in the Company at the times and on the terms that the Directors think proper and a share may be issued with preferential or special rights.

(d) Transfer of Shares

A shareholder may transfer Shares by a market transfer in accordance with any computerised or electronic system established or recognised by ASX for the purpose

of facilitating transfers in Shares or by an instrument in writing in a form approved by ASX or the Board.

(e) Meetings and notices

Each shareholder is entitled to receive notice of, and to attend, general meetings for the Company and to receive all notices, accounts and other documents required to be sent to shareholders under the Constitution, the Corporations Act or the Listing Rules.

Shareholders may requisition meetings in accordance with the Corporations Act.

(f) Liquidation rights

The Company has one class of shares on issue, ordinary shares. Each ordinary Share ranks equally in the event of liquidation.

(g) Variation of rights

Subject to the Corporations Act and Listing Rules, the rights attached to the Shares may be varied in accordance with the Corporations Act

(h) Election of directors

At every annual general meeting one third of the Directors (rounded up to the nearest whole number) must retire from office. Any Director who would have held office for more than 3 years if that Director remains in office until the next general meeting must retire. These retirement rules do not apply to certain appointments including the managing director.

(i) Indemnities

To the extent permitted by law the Company must indemnify each past and present Director and secretary against any liability incurred by that person as an officer of the Company and any legal costs incurred in defending an action in respect of such liability.

(j) Winding up

Subject to the Corporations Act, the ASX Listing Rules and any rights or restrictions attached to a class of shares, on a winding up of the Company any surplus must be divided among the shareholders of the Company.

(k) Shareholder liability

As the Shares offered under the Prospectus are fully paid Shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(l) Alteration to the Constitution

The Constitution can only be amended by a special resolution passed by at least three quarters of shareholders present and voting at the general meeting. At least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

(m) Listing Rules

If the Company is admitted to trading on the Official List, then despite anything in the Constitution, if the Listing Rules prohibit an act being done, the act must not be done. Nothing in the Constitution prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the Constitution to contain a provision and it does not contain such a provision, the Constitution is deemed to contain that provision. If the Listing Rules require the Constitution not to contain a provision and it contains such a provision, the Constitution is deemed not to contain that provision. If a provision of the Constitution is or becomes inconsistent with the Listing Rules, the Constitution is deemed not to contain that provision to the extent of the inconsistency.

9.2 Rights and liabilities attaching to New Options

New Options offered under this Prospectus are subject to the following terms:

- (a) The Options will be issued for no consideration.
- (b) Each Option entitles the holder to be issued one Share.
- (c) The exercise price of the Options is \$0.016 each.
- (d) The expiry date of an Option is 31 August 2019.
- (e) The Options may be exercised at any time prior to the expiry date, in whole or in part, upon payment of the exercise price per Option.
- (f) The Company currently intends to apply for quotation of the Options on the official list of the ASX. Quotation of the Options is not guaranteed or automatic but will depend on ASX exercising its discretion under the Listing Rules.
- (g) The Options are freely transferable subject to any restriction or escrow arrangements imposed by the Corporations Act and the ASX Listing Rules.
- (h) The holder of an Option may not exercise less than 31,375 Options (having a cumulative exercise price of \$500) at any one time unless the holder has less than 31,375 Options in which event the Holder must exercise all of the Options together.
- (i) The Company will provide to each Option holder a notice that is to be completed when exercising the Options (Notice of Exercise). Options may be exercised by the Option holder in whole or in part by completing the Notice of Exercise and forwarding the same to the Secretary of the Company to be received prior to the expiry date. The Notice of Exercise must state the number of Options exercised, the consequent number of Shares to be issued and the identity of the proposed subscribers. The Notice of Exercise by an Option holder must be accompanied by payment in full for the relevant number of Shares being subscribed, being an amount of the exercise price per Share.
- (j) All Shares issued upon the exercise of the Options will rank equally in all respects with the Company's then issued Shares. The Company must apply to the ASX in accordance with the Listing Rules for all Shares pursuant to the exercise of Options to be admitted to quotation.

- (k) There are no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new issues or pro-rata issues of capital to Shareholders during the term of the Options. Thereby, the Option holder has no rights to a change in:
 - (i) the exercise price of the Option; or
 - (ii) period of exercise of the Option; or
 - (iii) except in the event of a Bonus Issue (defined below), a change to the number of underlying securities over which the Option can be exercised.
- (l) The Company will ensure, for the purposes of determining entitlements to any issue, that Option holders will be notified of a proposed issue after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in such issues.
- (m) In the event the Company proceeds with a pro rata issue (other than a Bonus Issue) of Shares, the exercise price will be reduced in the manner permitted by the Listing Rules at the time of the pro rata issue.
- (n) If from time to time on or prior to the Expiry Date the Company makes a bonus issue of securities to holders of Shares in the Company (Bonus Issue), then upon exercise of his or her Options a holder will be entitled to have issued to him or her (in addition to the Shares which he or she is otherwise entitled to have issued to him or her upon such exercise) the number of securities which would have been issued to him or her under that Bonus Issue if the Options had been exercised before the record date for the Bonus Issue.
- (o) In the event of any reconstruction (including consolidation, subdivisions, reduction or return) of the authorised or issued capital of the Company, all rights of the Option holder shall be reconstructed (as appropriate) in accordance with the ASX Listing Rules.

10 ADDITIONAL INFORMATION

10.1 Continuous disclosure obligations

The Company is a 'disclosing entity' (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities. The New Shares which will be issued pursuant to this Prospectus are in the same class of Shares that have been quoted on the Official List during the 12 months prior to the issue of this Prospectus.

This Prospectus is a "transaction specific prospectus" to which the special content rules under section 713 of the Corporations Act apply. That provision allows the issue of a more concise prospectus in relation to an offer of securities in a class which has been continuously quoted by ASX in the three months prior to the date of the prospectus. In general terms "transaction specific prospectuses" are only required to contain information in relation to the effect of

the issue of New Shares on the Company and the rights attaching to the New Shares. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the period from lodgement of the Company's annual financial statements of the Company for the financial year ended 30 June 2017 to the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

The Company confirms that, to the extent to which it is reasonable for investors and their professional advisers to expect to find the information in this Prospectus, there is no information

- (a) that has been excluded from a continuous disclosure notice in accordance with ASX Listing Rules; and
- (b) is information that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (ii) the rights and liabilities attaching to New Shares.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial statements of the Company for the financial year ended 30 June 2017 being the last financial statements for a financial year, of the Company lodged with the ASIC before the issue of this Prospectus;
 - (ii) any half-year financial report lodged with ASIC by the Company after the lodgement of that annual report and before the lodgement of this Prospectus; and

- (iii) any continuous disclosure notices given by the Company after the lodgement of the financial statements referred to in paragraph (i) and before the lodgement of this Prospectus with ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be obtained free of charge from the Company's registered office during normal office hours or from asx.com.au.

The Company has lodged the following announcements with ASX since its 2017 annual report was lodged with ASX on 31 October 2017:

Date	Description of Announcement
31/10/2017	Quarterly Activities Report
31/10/2017	Quarterly Cashflow Report
28/11/2017	Results of Annual General Meeting
28/11/2017	Annual General Meeting Presentation
28/11/2017	Chairman's Address to the Annual General Meeting
12/12/2017	Becoming a substantial holder
15/12/2017	Change in substantial holding
15/12/2017	Becoming a substantial holder
15/12/2017	Change of Director's Interest Notice
15/12/2017	Change in substantial holding
15/12/2017	Change of Director's Interest Notice
15/12/2017	Change of Director's Interest Notice
15/12/2017	Appendix 3B
18/12/2017	Link Market Services - Change of Brisbane Address
18/12/2017	New Cobalt Prospect at Greenvale-High Cobalt in Soil Values
11/01/2018	Ceasing to be a substantial holder
15/01/2018	Trading Halt
17/01/2018	Superior announces capital raising
18/01/2018	Appendix 3B

19/01/2018	Rights Issue timetable clarification
22/01/2018	Appendix 3B

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours or from www.asx.com.au.

10.2 Directors' interests

As at the date of this Prospectus the Directors have a relevant interest in securities of the Company and remuneration as set out below.

Director	Mr Carlos Fernicola	Mr Peter Hwang	Mr Ken Harvey
Shares	28,500,000	26,657,974	24,954,432
Options	3,750,000	4,250,000	-

Remuneration paid to Directors in the two years prior to the date of this Prospectus ¹		
Director	2016/2017 (\$)	2017/2018 (\$)
Mr Carlos Fernicola	24,000	24,000
Mr Peter Hwang	231,045	231,045
Mr Ken Harvey	24,000	24,000

Notes:

- 1 The Chairman and non-executive Director are entitled to annual directors' fees of \$24,000 (inclusive of superannuation) respectively. The Chairman also receives \$24,000 per annum for acting as company secretary.
- 2 The Managing Director is entitled to a remuneration package consisting \$231,045, inclusive of superannuation.
- 3 At the Company's annual general meeting on 28 November 2017 Shareholders approved the issue of Shares to Messrs Hwang, Harvey and Fernicola of \$86,352 (10,000,000 Shares), \$21,588 (2,500,000 Shares) and \$43,176 (5,000,000 Shares) respectively in lieu of unpaid salary at a deemed issue price of \$0.0086352, being a 5% premium to the 30 day VWAP. Those Shares were issued on 15 December 2017.

The Constitution provides that the Directors may be paid for their services as Directors. Non-executive directors may only be paid a sum not exceeding such fixed sum per annum as may be determined by the Company in general meeting, to be divided among the non-executive directors and in default of agreement then in equal shares.

The Company also pays premiums to insure all of the Directors against liabilities for costs and expenses incurred by them in defending legal proceedings arising from their conduct whilst acting in the capacity as a Director of the Company.

Other than as set out above or elsewhere in this Prospectus, no Director or proposed Director holds at the date of this Prospectus, or held at any time during the last 2 years before the date of lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of the Company; or
- (b) any property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Company or the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given:

- (d) to a Director or proposed Director or to any firm which any such Director is a partner, to induce him or her to become, or to qualify as, a Director; or
- (e) for services provided by a Director or proposed Director or to any firm which any such Director is a partner, in connection with the formation or promotion of the Company or the Offer.

10.3 Interests of promoters and named persons

Except as disclosed in this Prospectus, no expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the 2 year period ending on the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- (c) the Offer.

Atkinson Corporate Lawyers has acted as solicitor to the Offer. In respect of this work, the Company will pay approximately \$7,000 exclusive of GST. Subsequently fees will be paid in accordance with normal hourly rates. Atkinson Corporate Lawyers has fees of approximately \$1,500 for services to the Company in the 2 years prior to the date of this Prospectus.

10.4 Consents

Each of the persons referred to in this section:

- (a) has given and has not, before the date of lodgement of this Prospectus with ASIC withdrawn their written consent:
 - (i) to be named in the Prospectus in the form and context which it is named; and
 - (ii) where applicable, to the inclusion in this Prospectus of the statement(s) and/or reports (if any) by that person in the form and context in which it appears in this Prospectus;
- (b) has not caused or authorised the issue of this Prospectus;

- (c) has not made any statement in this Prospectus or any statement on which a statement in this Prospectus is based, other than specified below;
- (d) to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for, any part of this Prospectus, other than the references to their name and the statement(s) and/or report(s) (if any) specified below and included in this Prospectus with the consent of that person.

Name	Role
Atkinson Corporate Lawyers	Lawyer

10.5 Expenses of the Offer

The total expenses of the Offer are estimated to be up to \$87,000, consisting of the following:

Cost	\$
Legal fees	7,000
ASX and ASIC fees	10,000
Capital raising fees ¹	60,000
Printing, postage and other expenses	10,000
Total	87,000

These expenses have or will be paid by the Company from existing cash reserves.

¹The Company will pay a fee of 6% on Shortfall Shares placed by holders of AFSLs. In preparing the costs of the Offer the Company has assumed that \$60,000 will be paid to AFSL holders.

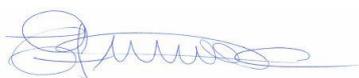
10.6 Litigation

As at the date of this Prospectus, the Company is not involved in any other legal proceedings of a material nature and the Directors are not aware of any other legal proceedings pending or threatened against the Company.

11 DIRECTORS' RESPONSIBILITY AND CONSENT

Each Director has consented to the lodgement of this Prospectus with the ASIC and has not withdrawn that consent.

Dated: 23 January 2018



Signed for and on behalf of Superior Resources Limited
By Mr Carlos Fernicola
Chairman and Company Secretary

12 GLOSSARY

Where the following terms are used in this Prospectus they have the following meanings:

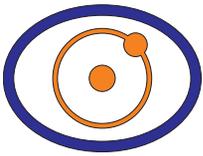
\$, A\$ or Dollars	Australian dollars unless otherwise stated.
Applicant	a person who submits a valid Entitlement and Acceptance Form pursuant to this Prospectus.
Application	a valid application made on an Entitlement and Acceptance Form to subscribe for New Shares pursuant to this Prospectus.
ASIC	the Australian Securities & Investments Commission.
ASX	ASX Limited ACN 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.
Board	the board of Directors.
Business Day	Monday to Friday inclusive, except any day that ASX declares is not a business day.
Closing Date	the date set out in section 1.
Company or Superior Resources	Superior Resources Limited (ABN 72 112 844 407).
Constitution	the constitution of the Company.
Corporations Act	the <i>Corporations Act 2001</i> (Cth).
Director	a director of the Company.
Eligible Shareholders	a Shareholder as at the Record Date with a registered address in Australia or New Zealand.
Entitlement or Right	a Shareholder's entitlement to subscribe for New Shares offered by this Prospectus.
Entitlement and Acceptance Form	the personalised entitlement and acceptance form attached to this Prospectus.
Ex Date	the date set out in section 1.
Existing Share	a Share issued as at 5.00pm (AEST) on the Record Date.
Full Subscription	approximately \$1,238,478 before costs.
Ineligible Shareholder	a Shareholder who is not an Eligible Shareholder.

New Option	means an Option on the terms set out in section 9.2 and offered under this Prospectus.
Listing Rules	the listing rules of the ASX.
New Shares	Shares issued pursuant to this Prospectus.
Offer	an offer made under this Prospectus to subscribe for New Shares.
Official List	the official list of the ASX.
Opening Date	the date set out in section 1.
Option	an option to be issued a Share.
Prospectus	this Prospectus and includes the electronic prospectus.
Record Date	the date set out in section 1.
Share	a fully paid ordinary share in the Company.
Share Registry	Link Market Services Limited.
Shareholder	the registered holder of Shares in the Company.
Shortfall Offer	has the meaning given in section 8.5.
Shortfall Shares	New Shares for which valid Applications have not been received by the Closing Date.
US person	has the meaning given to that term in Regulation S under the US Securities Act.
US Securities Act	the <i>United States Securities Act of 1933</i> , as amended.
AEST	Australian Eastern Standard Time

13 PRO FORMA STATEMENT OF FINANCIAL POSITION

Consolidated Statement of Financial Position

	Unaudited 31-Dec-17	Placement 22-Jan-17	Adjustments Rights Issue
Current Assets			
Cash and cash equivalents	48,023	635,642	1,787,120
Available-for-sale financial assets	98,000	98,000	98,000
Trade and other receivables	85,544	85,544	85,544
Total Current Assets	231,567	819,186	1,970,664
Non-Current Assets			
Property, plant and equipment	13,024	13,024	13,024
Exploration expenditure	3,372,751	3,372,751	3,372,751
Deferred tax assets	-	-	-
Other	47,834	47,834	47,834
Total Non-Current Assets	3,433,609	3,433,609	3,433,609
TOTAL ASSETS	3,665,177	4,252,796	5,404,274
Current Liabilities			
Payables	419,957	419,957	419,957
Income tax payable	-	-	-
Total Current Liability	419,957	419,957	419,957
Non-Current Liabilities			
Deferred tax liabilities	-	-	-
Provisions	52,313	52,313	52,313
Total Non-Current Liabilities	52,313	52,313	52,313
TOTAL LIABILITIES	472,270	472,270	472,270
NET ASSETS	3,192,906	3,780,525	4,932,003
EQUITY			
Contributed Equity	9,172,007	9,797,626	11,036,104
Reserves	50,750	50,750	50,750
Accumulated losses	(6,029,851)	(6,067,851)	(6,154,851)
TOTAL EQUITY	3,192,906	3,780,525	4,932,003



SUPERIOR RESOURCES LIMITED
 ABN 72 112 844 407

All Registry communications to:
 Link Market Services Limited
 Locked Bag A14
 Sydney South NSW 1235 Australia
 Telephone: 1300 554 474
 From outside Australia: +61 1300 554 474
 ASX Code: SPQ
 Website: www.linkmarketservices.com.au

SRN/HIN:

Entitlement Number:

Number of Eligible Shares held as at the Record Date, 7:00pm (AEDT) on 30 January 2018:

Entitlement to New Shares (on a 1 New Share for 4 basis):

Amount payable on full acceptance at A\$0.009 per Share:

Offer Closes 5:00pm (AEDT):	2 March 2018
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ENTITLEMENT AND ACCEPTANCE FORM

As an Eligible Shareholder you are entitled to acquire 1 New Share for every 4 Existing Shares that you hold on the Record Date, at an Offer Price of A\$0.009 per New Share. You may also apply for New Shares in excess of your Entitlement, at the Offer Price. This is an important document and requires your immediate attention. If you do not understand it or you are in doubt as how to deal with it, you should contact your accountant, stockbroker, solicitor or other professional adviser.

IMPORTANT: The Offer is being made under the Prospectus dated 23 January 2018. The Prospectus contains information about investing in the New Shares. Before applying for New Shares, you should carefully read the Prospectus. This Entitlement and Acceptance Form should be read in conjunction with the Prospectus.

If you do not have a paper copy of the Prospectus, you can obtain a paper copy at no charge, by calling the Superior Resources Limited Offer Information Line on 1300 405 577 (within Australia) or +61 1300 405 577 (from outside Australia).

PAYMENT OPTIONS

If you wish to take up all or part of your Entitlement (as shown above), or take up all of your Entitlement and apply for additional New Shares, you have two payment options detailed below.

OPTION 1: PAYING BY BPAY®

If paying by BPAY®, refer to the instructions overleaf. **You do NOT need to return the acceptance slip below if you elect to make payment by BPAY®.** Payment must be received via BPAY® before 5:00pm (AEDT) on 2 March 2018. You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry in time. By paying by BPAY® you will be deemed to have completed an Application Form for the number of Shares subject of your application payment.

OPTION 2: PAYING BY CHEQUE, BANK DRAFT OR MONEY ORDER

If paying by cheque, bank draft or money order, complete and return the acceptance slip below with your Application Monies. No signature is required on the acceptance slip. The acceptance slip with your Application Monies must be received by the Registry before 5:00pm (AEDT) on 2 March 2018.



Billers Code: 818187
Ref:

Telephone & Internet Banking – BPAY®

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. More info: www.bpay.com.au

© Registered to BPAY Pty Ltd ABN 69 079 137 518

See overleaf for details and further instructions on how to complete and lodge this Entitlement and Acceptance Form.

THIS IS A PERSONALISED FORM FOR THE SOLE USE OF THE SHAREHOLDER AND HOLDING RECORDED ABOVE.



ABN 72 112 844 407

Please detach and enclose with payment



SRN/HIN:

Entitlement Number:

A Number of New Shares accepted (being not more than your Entitlement shown above)

B Number of additional New Shares

C Total number of New Shares accepted (add Boxes A and B)

D PLEASE INSERT CHEQUE, BANK DRAFT OR MONEY ORDER DETAILS – Cheques, bank drafts or money orders must be drawn on an Australian branch of a financial institution in Australian currency, made payable to “**Superior Resources Limited**” and crossed “Not Negotiable”.

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	A\$ <input type="text"/>

E CONTACT DETAILS – Telephone Number

Telephone Number – After Hours

Contact Name

SUPERIOR RESOURCES LIMITED

The Entitlement Offer to which this Entitlement and Acceptance Form relates is not being made to investors located or resident outside of Australia and New Zealand. In particular the Entitlement Offer is not being made to any person in the U.S. or to a U.S. person. The Prospectus and Entitlement and Acceptance Form do not constitute an offer or invitation to acquire Shares in any place in which, or to any person to whom, it would be unlawful to make such an offer or invitation.

ACCEPTANCE OF ENTITLEMENT OFFER

By either returning the Entitlement and Acceptance Form with payment to the Registry, or making payment received by BPAY®:

- you represent and warrant that you have read and understood the Prospectus and that you acknowledge the matters, and make the warranties and representations;
- you provide authorisation to be registered as the holder of New Shares acquired by you and agree to be bound by the Constitution of Superior Resources Limited.

HOW TO APPLY FOR NEW SHARES

1. IF PAYING BY BPAY® (AVAILABLE TO SHAREHOLDERS WITH AN AUSTRALIAN BANK ACCOUNT ONLY)

If you elect to make payment using BPAY® you must contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. For more information on paying by BPAY®: www.bpay.com.au

Work out the total amount payable by you. To calculate the total amount, multiply the number of New Shares you wish to apply for by A\$0.009.

Refer overleaf for the Biller Code and Reference Number. The Reference Number is used to identify your holding. If you have multiple holdings you will have multiple Reference Numbers. You must use the Reference Number shown on each personalised Entitlement and Acceptance Form when paying for any New Shares that you wish to apply for in respect of that holding.

2. IF PAYING BY CHEQUE, BANK DRAFT OR MONEY ORDER

Complete all relevant sections of the Entitlement and Acceptance Form USING BLOCK LETTERS. These instructions are cross referenced to each section of the Entitlement and Acceptance Form.

A. Acceptance of New Shares

Enter into section A the number of New Shares you wish to apply for. The number of New Shares must be equal to or less than your Entitlement, which is set out overleaf.

B. Application for Additional New Shares

You can apply for more New Shares than your Entitlement. Please enter the number of **additional** New Shares above your Entitlement for which you wish to apply into Box B. Your Application for additional New Shares may not be successful (wholly or partially). The decision of Superior Resources Limited on the number of New Shares to be allocated to you will be final. No interest will be paid on any Application Monies received or returned.

C. Total Number of New Shares Subscribed for

To calculate total number of New Shares subscribed for, add Box A and Box B and enter this in Box C.

D. Cheque, bank draft or money order details

Enter your cheque, bank draft or money order details in section D. Cheques, bank drafts or money orders must be drawn on an Australian branch of a financial institution in Australian currency, made payable to "Superior Resources Limited" and crossed "Not Negotiable". Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. If you provide a cheque or money order for the incorrect amount, Superior Resources Limited may treat you as applying for as many New Shares and Additional New Shares as your cheque, bank draft or money order will pay for.

E. Contact details

Enter your contact telephone number where we may contact you regarding your acceptance of New Shares, if necessary.

3. HOW TO LODGE YOUR ENTITLEMENT AND ACCEPTANCE FORM

A reply paid envelope is enclosed for your use. No postage stamp is required if it is posted in Australia. Alternatively, if you have lost the reply paid envelope, or you have obtained the Prospectus electronically, your completed Entitlement and Acceptance Form with the payment for New Shares may be mailed to the postal address, or delivered by hand to the delivery address, set out below. **If paying by BPAY® you do not need to complete or return the Entitlement and Acceptance Form.** You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry by the close of the offer.

Mailing Address

Superior Resources Limited
C/- Link Market Services Limited
GPO Box 3560
Sydney NSW 2001

Hand Delivery

Superior Resources Limited
C/- Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138 **(Please do not use this address for mailing purposes)**

Make sure you send your Acceptance Slip and application payment allowing enough time for mail delivery, so Link Market Services Limited receives them no later than 5:00pm (AEDT) on 2 March 2018. Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. Superior Resources Limited reserves the right not to process any Acceptance Slips and cheques received after the Closing Date.

If you require further information on how to complete this Entitlement and Acceptance Form, please contact the Superior Resources Limited Offer Information Line on 1300 405 577 (within Australia) or +61 1300 405 577 (from outside Australia) between 8:30am and 5:30pm (AEDT) Monday to Friday.