

# Superior Resources Limited

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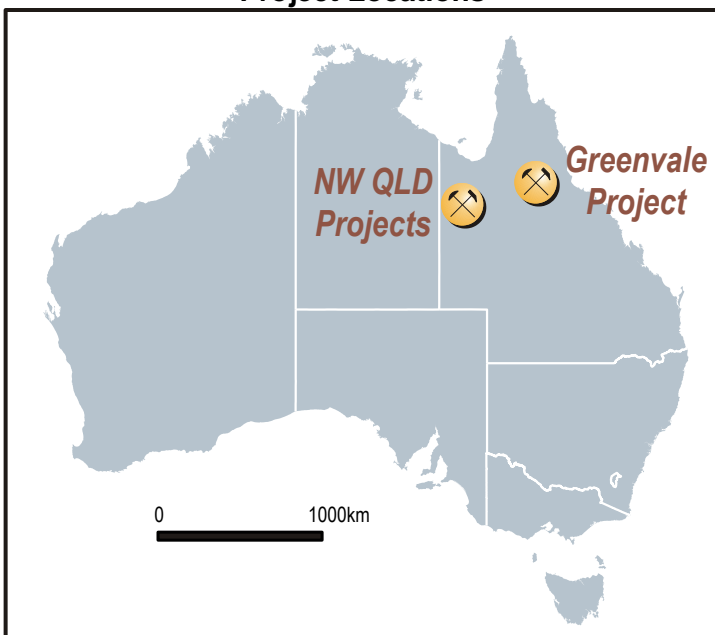
30 June 2014

## QUARTERLY ACTIVITIES REPORT

### HIGHLIGHTS

- The addition of two new EPMA's, elevates the Greenvale Project to a first class copper exploration project.
- 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.

### Project Locations



### Superior Resources Limited

ASX:SPQ

#### Board

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

#### Securities

Ordinary Shares – 176,944,372  
Top 20 hold 68.29% of issued capital

#### Financial

Cash and Shares – \$495,000

#### 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  
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#### Web Site

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

#### Contact

Peter Hwang  
(07) 3839 5099



## OVERVIEW

### 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.

### ZINC:

Recent market movements in zinc “and analyst forecasts of a bright future” bullish zinc outlook has prompted SPQ to progress exploration efforts on its substantial and high quality Mount Isa Style lead-zinc-silver and copper projects in Northwest Queensland.

#### Nicholson West Project: (100% SPQ)

- Represents the Company’s most prospective and ready to drill lead-zinc prospect.
- Consists of a substantial bedrock EM anomaly possibly representing a stratiform Mount Isa Style lead-zinc-silver deposit.
- 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)

- Located adjacent to 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.

#### Riesling Prospect (Greenvale Project): (100% SPQ)

- Soil sampling identified a very strong zinc anomaly together with a lower order but prominent copper anomaly.
- Drilling planned and access fully cleared.

### GOLD:

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

- Expediting the satisfaction of pre-conditions under a joint venture agreement with Diatreme Resources Limited (**Diatreme**) to enable SPQ 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.

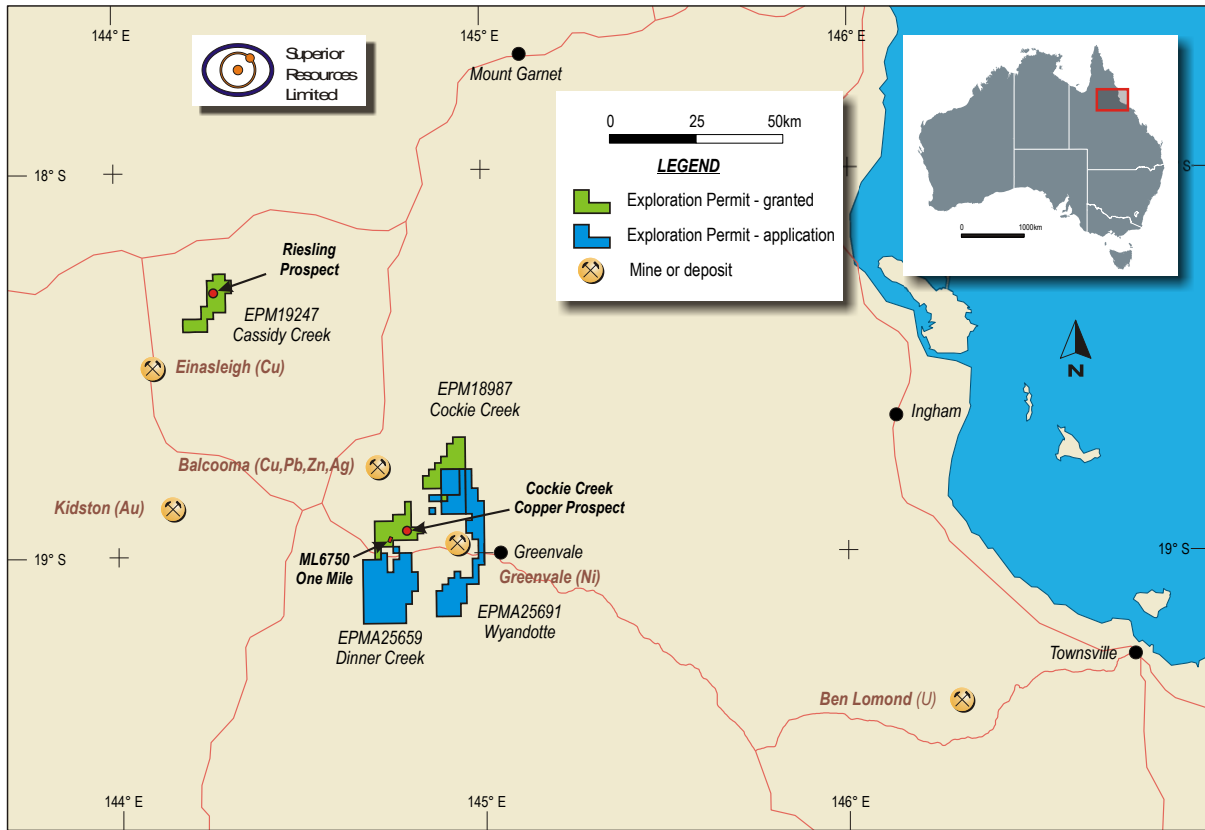


Figure 1. Superior Resources Limited – Greenvale Project location northeast Queensland.

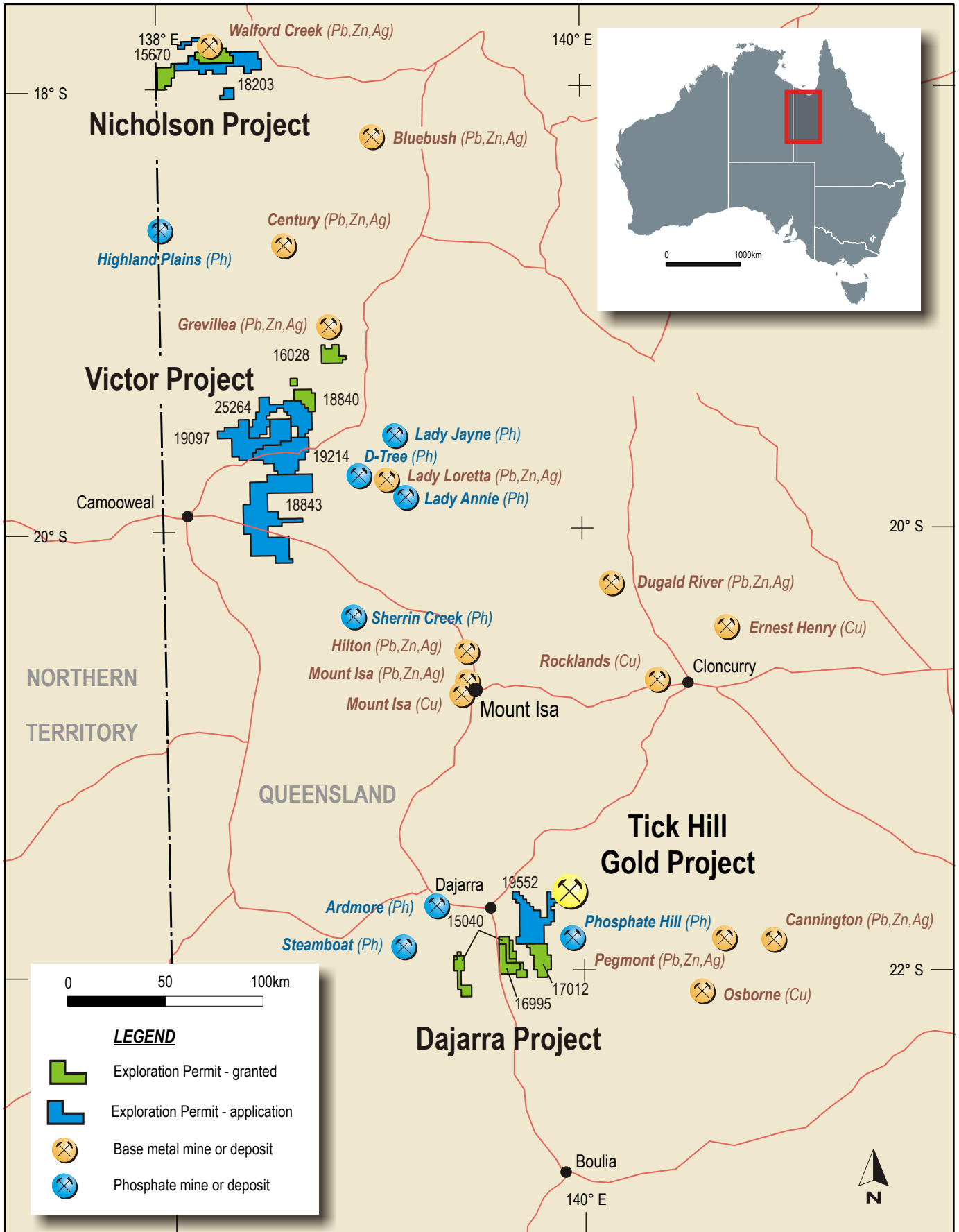


Figure 2. Superior Resources Limited - Northwest Queensland project locations.



## PROJECT ACTIVITIES

### **Copper - Summary highlights**

- **Two new EPM applications elevate the Greenvale Project to a first class copper exploration project.**
- **Substantial upgrade to the potential of the Cockie Creek Copper Prospect.**
- **Significant previously reported drill holes:**
  - **Wyandotte:** 5.8m @ 7.8% copper and 13.4m @ 3.6% copper in historical drilling;
  - **Bottletree:** approx 50m @ 0.3% copper in historical drilling;
  - **Cockie Creek:** previously reported (SPQ) JORC inferred resource of 13Mt @ 0.42% copper;
  - **Cockie Creek:** a shallow hole corresponding to the location of the new IP target intersected 34m @ 0.31% copper;
  - **Cockie Creek:** a deeper hole with an intersection of 3m @ 9.0 g/t Au between 80 and 83m drilled through the main central zone of copper mineralisation, terminates short of, a newly identified target zone.
- **IP target together with the existing data indicates potential for a large porphyry copper mineralisation system.**
- **Drilling program to identify and delineate further copper mineralisation currently being developed.**

### **Greenvale Project**

During the quarter, as advised to the ASX on 26 May 2014, a new Exploration Permit for Minerals (EPM) Application (EPMA25659 "Dinner Creek") was made over prospective areas to the north and south of Superior's granted EPM18987 "Cockie Creek" west of Greenvale. A further application (EPMA25691 "Wyandotte"), over additional prospective areas adjacent to EPM18987 and EPMA25659, was made on 2 July 2014 (Figures 1, 2 and 3). Application for an exploration permit does not guarantee that it will be granted but Superior has an expectation that these areas will be granted in due course.

The EPM application made on 2 July 2014, covers the Wyandotte Copper Prospect, the old Halls Reward Copper Mine and an area south of Greenvale which has geology similar to the area around Cockie Creek and which is considered prospective for porphyry copper deposits (Figures 2 and 3).

The addition of the two new EPMA's, elevates the Greenvale Project to a first class copper exploration project. Superior has taken advantage of the current difficult times for explorers to acquire prospective areas adjacent to its existing promising tenements and which considerably enhances the Company's prospects.

A summary of the copper prospects within the first EPMA were provided in the ASX release of 26 May 2014 and won't be repeated here. The principal prospects of interest in the latest EPM application are the Wyandotte Copper Prospect and the old Halls Reward Copper Mine (sometimes referred to as the Ninety Mile Copper Mine). Compilation of data in digital form and interpretation of the data on these prospects is in progress.



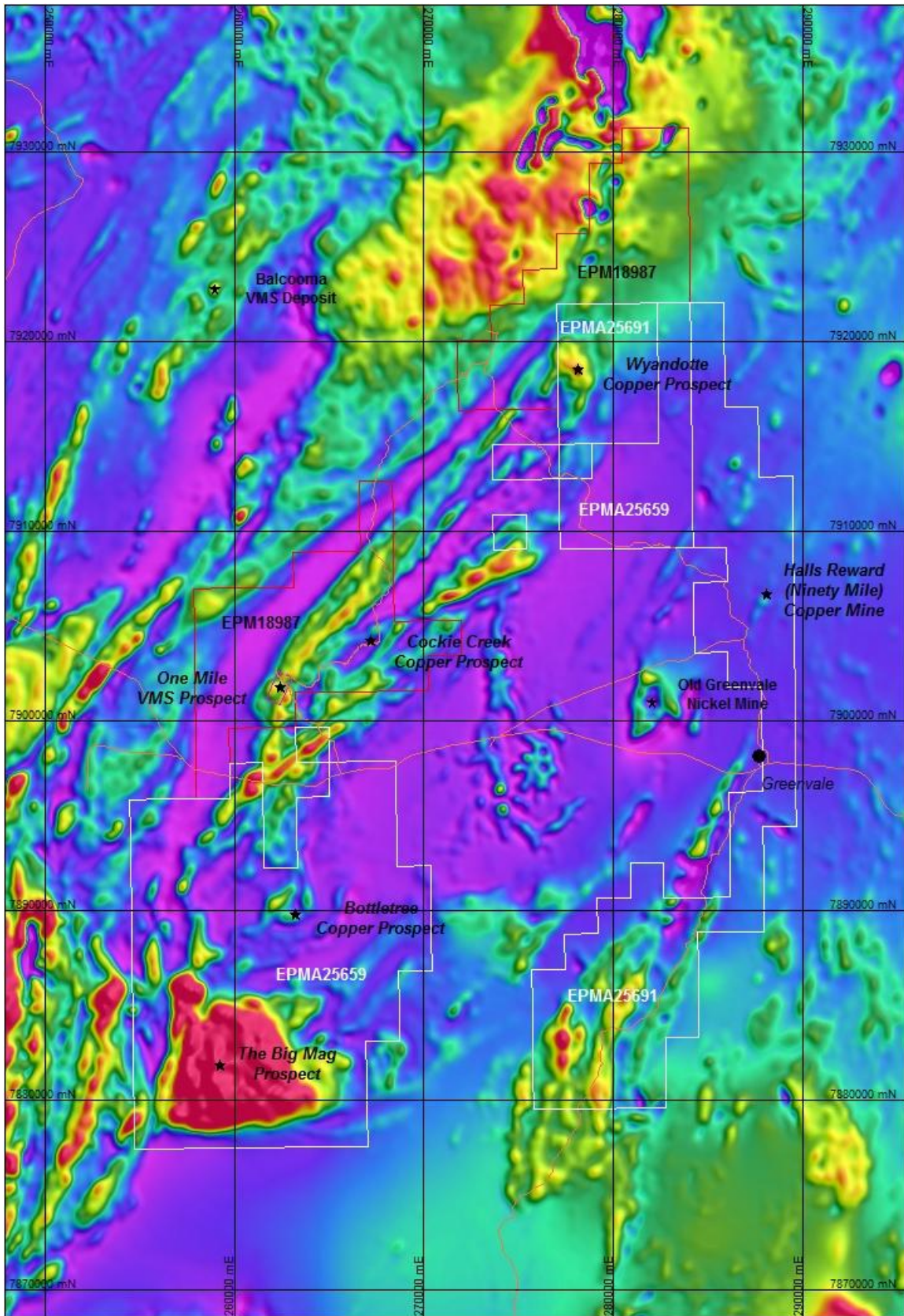


Figure 2. Airborne magnetics (RTP) for the Cockie Creek and surrounding area showing the locations of granted EPM18987 and the two new EPMA 25659 and 25691 as well as the locations of the Wyandotte Copper Prospect and the old Halls Reward Copper Mine. The cross-cutting magnetic anomaly associated with the Wyandotte Copper Prospect is also clear on this figure.



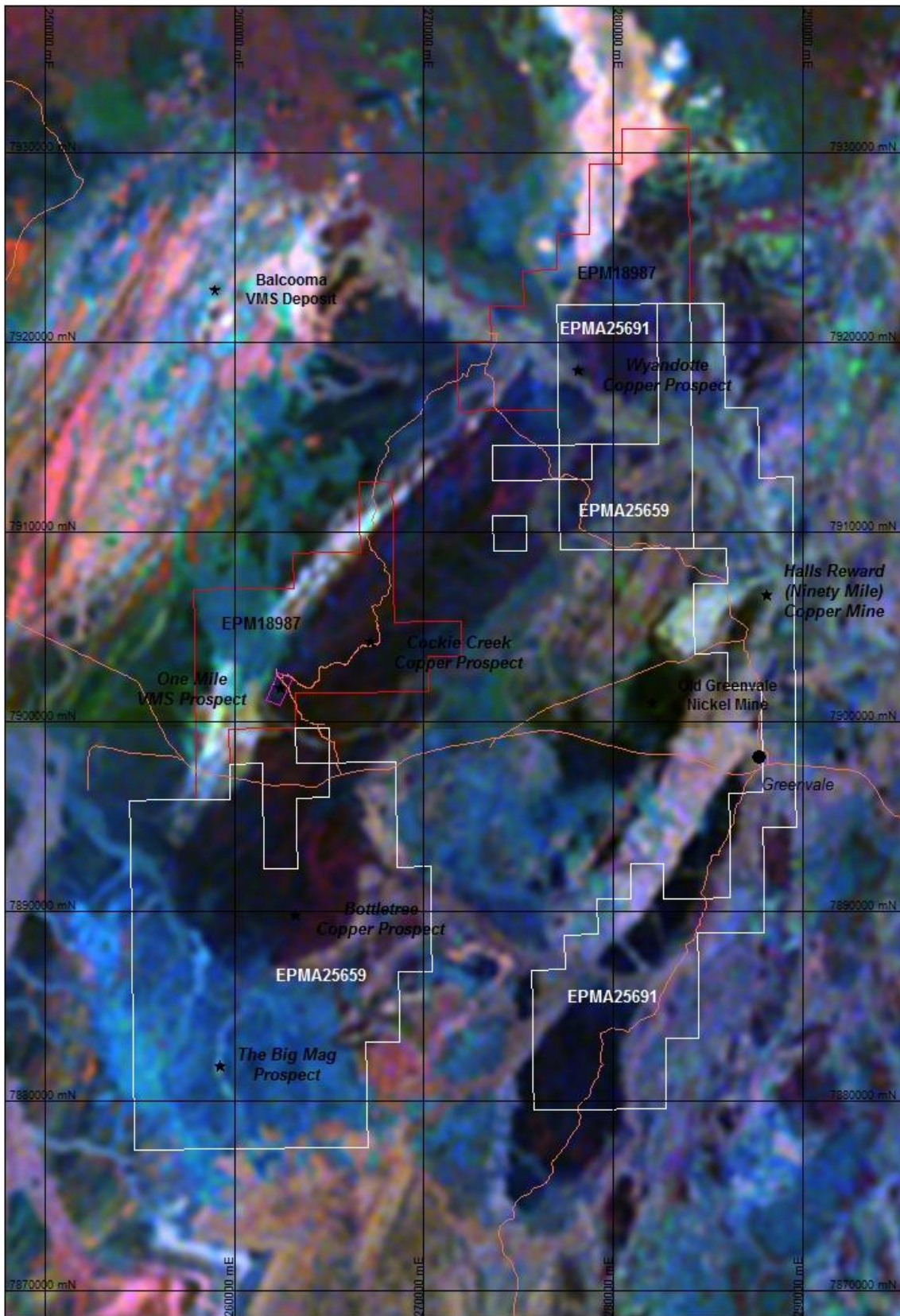


Figure 3. Airborne radiometrics (RGB) for the Cockie Creek and surrounding area showing the locations of granted EPMA18987 and the two new EPMA 25659 and 25691 as well as the locations of the Wyandotte Copper Prospect and the old Halls Reward Copper Mine. The darker areas are those considered to have potential for porphyry copper (and VMS) deposits.



As the Wyandotte Copper Prospect has been held by various parties under mining leases and mineral development licences, the amount and quality of data in the public records is limited. The earliest significant work on the prospect was by Silver Valley Minerals (**SVM**) in 1969. SVM drilled 27 diamond drill holes and established a supergene copper resource at the prospect (The resource is not included here as it is not reported in accordance with the JORC Code). SVM also sank a shaft on the copper mineralisation. The best of the drill intersections underpinning the resource were in adjacent holes, DDH05 - 5.8m @ 7.8% copper and DDH08 - 13.4m @ 3.6% copper. The true widths of these intersections are not clear but based on the SVM interpretation the downhole intersection widths are close to true widths. (As for all historical data, care needs to be exercised until the information can be validated by further work.)

Shell Minerals Exploration (Aust.) Pty Ltd (**Shell**) held Authority to Prospect 1286 over the area in 1975 and reviewed SVM's data and completed further work including geochemistry, mapping and geophysics. Shell drilled a further five drill holes into targets outlined by their geophysical surveys. Metallica Minerals held EPM14070 over the area in more recent times and drilled one hole well to the south of the main mineralised area. The Shell and Metallica drill holes did not report significant amounts of copper mineralisation.

Superior proposes to reappraise the Wyandotte Copper Prospect for shallow high-grade supergene copper and for underlying high-grade primary copper mineralisation. Superior also proposes to assess the prospect's potential as a porphyry copper prospect. The geology of the prospect area is similar to that at Superior's porphyry copper prospect at Cockie Creek. Petrology on rock samples from Wyandotte shows that many of the host rocks are metamorphosed tonalites establishing a strong relationship of the copper mineralisation with intrusives. This potential is further enhanced by a cross-cutting magnetic anomaly which underlies the copper prospect (Figure 2).

Mining of high grade supergene copper from the Halls Reward Copper Mine occurred during the period 1933 to 1958 (Photo 1). A report on the area by the BMR (now Geoscience Australia) in 1958 recorded a production of 12,800 tonnes of ore at a grade of 17% Cu, 5g/t Au and 23g/t Ag. Limited drilling beneath the mined area has not resulted in evidence that high grade primary mineralisation continues below the old workings. Reports written following inspections of the workings during mining refer to a shallow southerly plunge to the mineralisation.

Exploration by CRA Exploration (**CRAE**) over the Halls Reward Prospect under EPM8288 during the period 1991 to 1995 located a previously unknown additional mineralised lode (**West Lode**) approximately 200m west of and parallel to the mined lode. The West Lode apparently has a more persistent strike extent than the mined lode and shows in a dipole-dipole IP survey completed by CRAE over a strike length of about 900m. CRAE drilled a total of 19 RC holes at Halls Reward, with most of the holes into and around the West Lode, and recorded a number of low-grade copper intersections including primary mineralisation in hole RC94HR37 - 19m @ 0.6% Cu and 0.3g/t Au from 86m and secondary mineralisation in hole RC93HR02 - 30m @ 0.7% Cu from surface. A deeper RC hole below hole RC94HR37 did not intersect any mineralisation. However this hole was apparently not surveyed and may have deviated from target.

The nature of the lodes at Halls Reward (Photo 1), the high sulphide content of the west lode in the intersection in hole RC94HR37 and the host mixed metamorphosed basic/ultramafic and sediment sequence suggest that the mineralisation may be of Cyprus VMS type. As such the potential is considerably better than if the lodes were of vein style deposit as is often interpreted.

Further compilation and interpretation of data on these deposits is required before additional conclusions are reached and comments made.





*Photo 1. A sample of high-grade secondary copper mineralisation from the old Halls Reward Copper Mine showing native copper (pale pink-yellow) in the oxidised ferruginous lode material.*

## Zinc - Summary highlights

- Recent market movements in zinc and bull zinc outlook has prompted SPQ to progress exploration efforts on its substantial and high quality Mount Isa Style lead-zinc-silver and copper Northwest Queensland projects.
- Superior has a commanding position based on its portfolio of Mount Isa Style lead-zinc-silver exploration projects.

## Superior's zinc position

Superior was originally incorporated and listed on the ASX on the basis of a substantial portfolio of large Mt Isa Style lead-zinc-silver and copper projects. On the basis of Superior's core base metal projects, the Company holds a commanding position in zinc exploration projects.

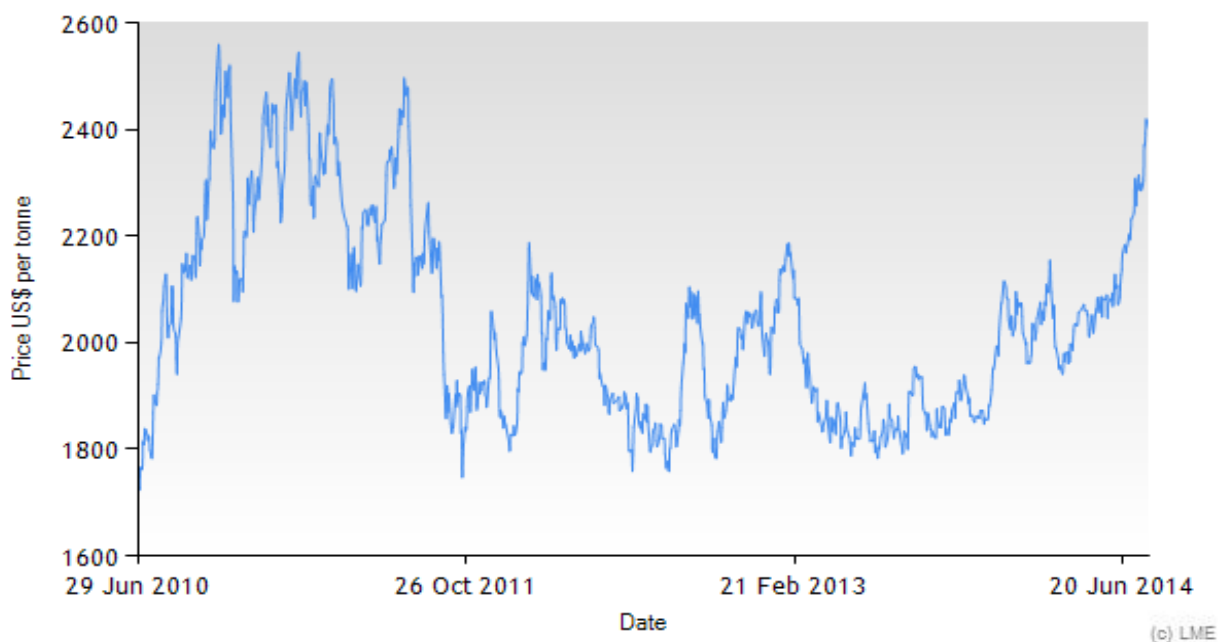
Although the zinc commodity markets have had consistently subdued value performance, global market indicators and trend forecasts suggest a likelihood that this will change over the short to medium term.

Superior recognises the potential that a bull zinc market presents to the Company. The Company has, during the quarter, given considerable focus on progressing its exploration plans on the base metal projects.

## Zinc market and some influencing factors

Recently, zinc prices have rallied to a 35 month high on the basis of speculation that global demand will exceed supplies. Furthermore, zinc inventories monitored by the London Metal Exchange have fallen at least 30 percent this year.

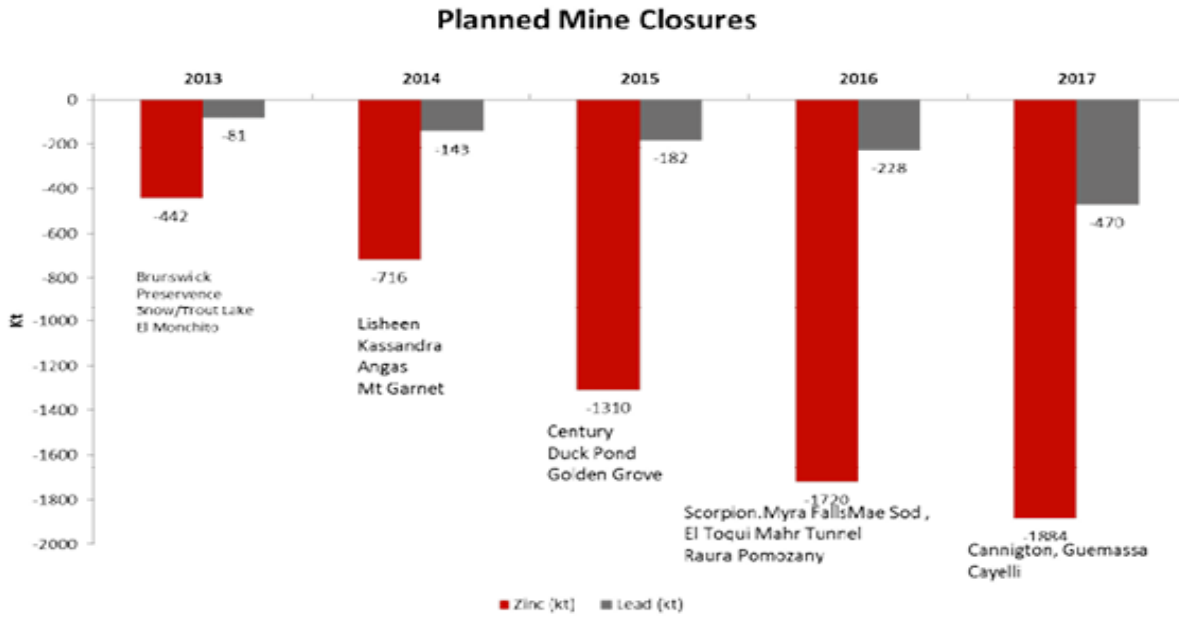
[www.bloomberg.com/news/2014-02-05/zinc-rebounds-from-longest-slump-in-25-years-on-supply-outlook.html](http://www.bloomberg.com/news/2014-02-05/zinc-rebounds-from-longest-slump-in-25-years-on-supply-outlook.html)



Source: LME



A major factor in causing a projected deficit in global supplies of zinc is the expected closure of significant mines producing zinc.



Source: HDR Salva





### Northwest Queensland Project

Superior Resources Limited (SPQ) has been exploring the northwest Queensland areas since 2007 principally for Mount Isa type copper deposits. These deposits are world-class deposits and worthy exploration targets.

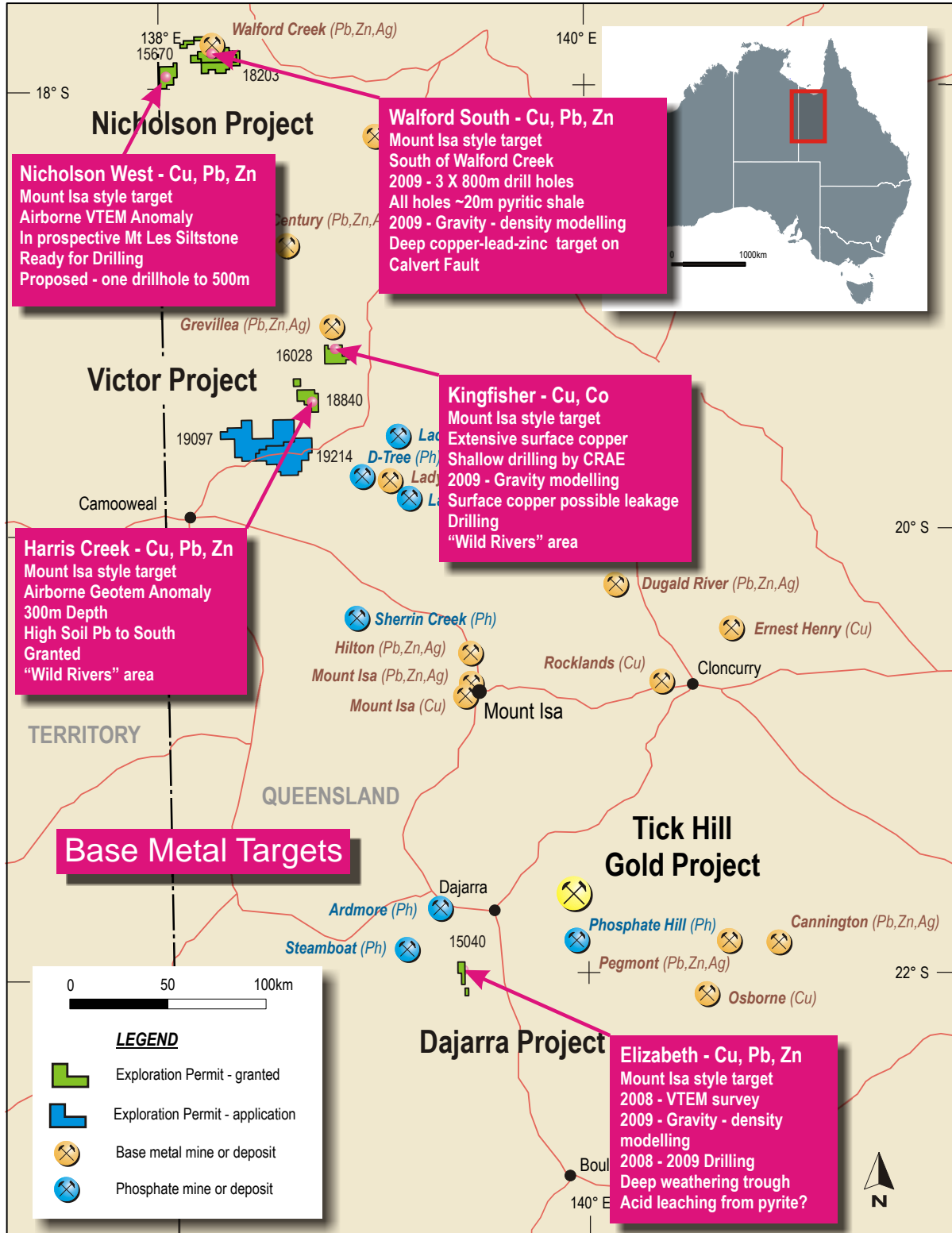


Figure 4. Location of Superior’s Copper, lead and zinc projects.

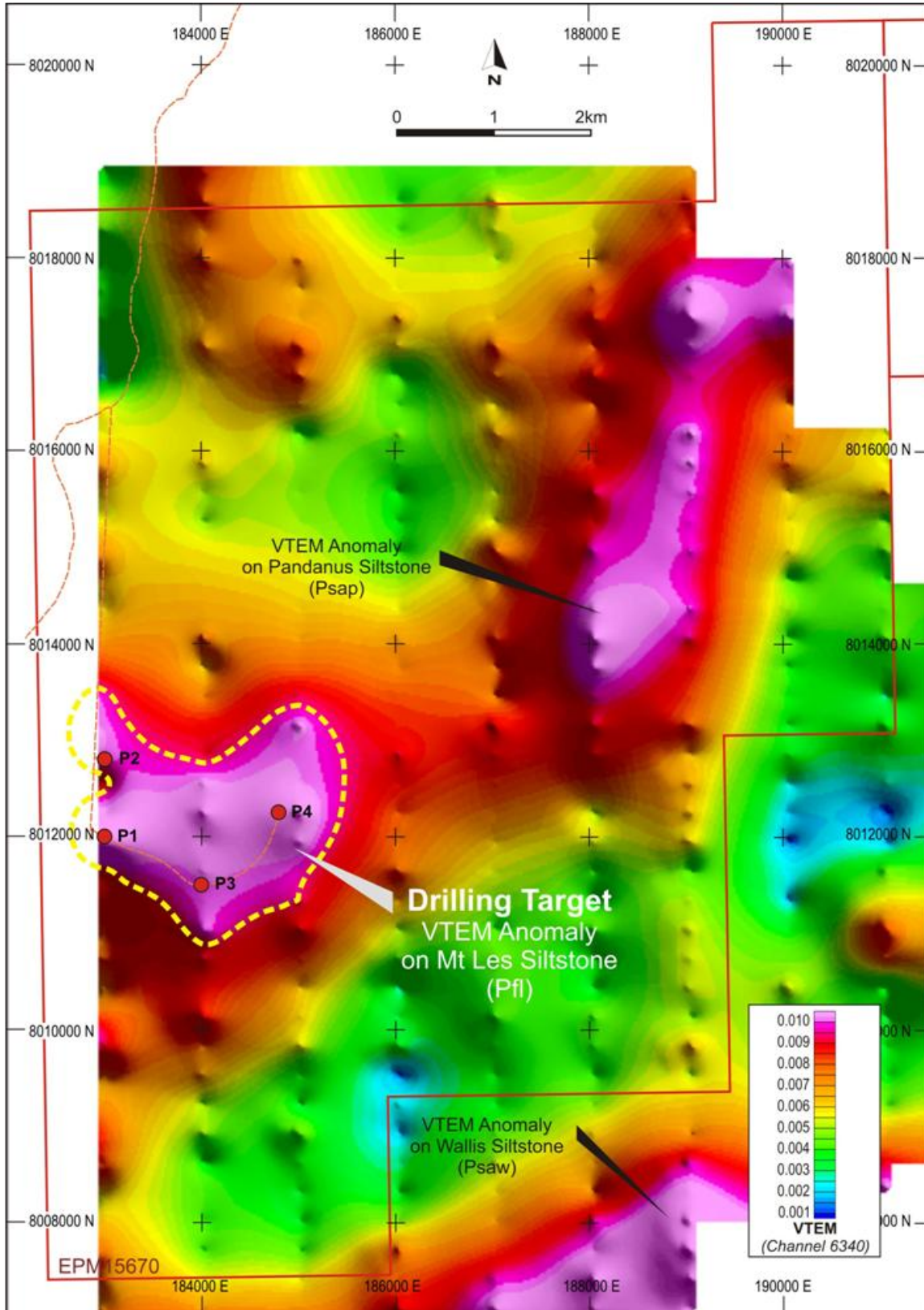


Figure 5. Nicholson West – VTEM anomaly sourced within the Mount Les Siltstone. A proposed drill target.



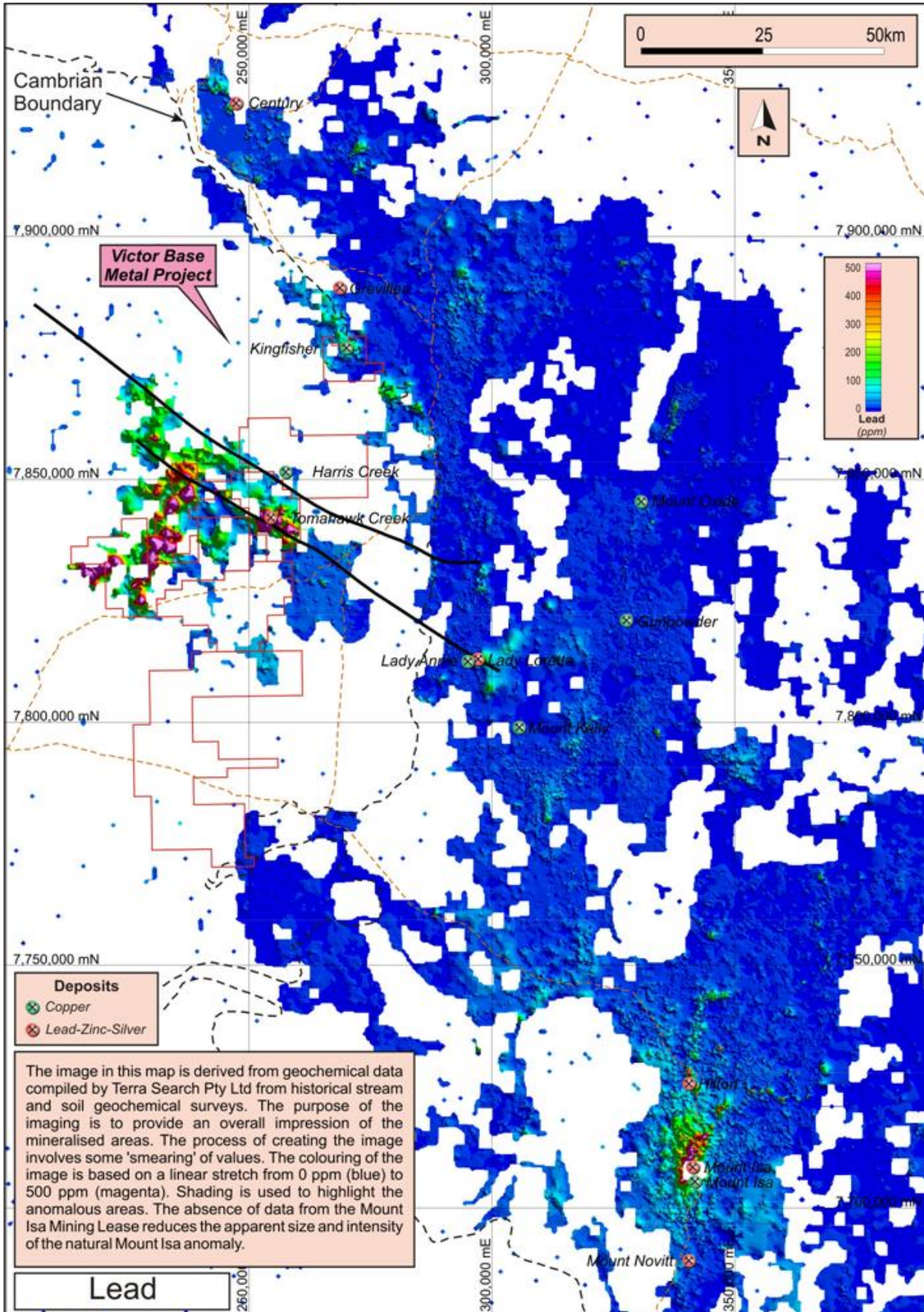


Figure 6. Harris Creek – Soil geochem lead anomalies – similar order and size to the area around Mount Isa.



### Model - Productive Geological Units

Sufficient information is available in the form of the host units of known deposits' and their age (and type of sediments) to identify the most productive stratigraphy in NWQ. Effectively, the productive stratigraphy is the older Proterozoic units that from the fine-grained (dolomitic) sediments at the base of the Mount Isa Group to the top of the Lawn Hill Formation and equivalents (Figure 7).

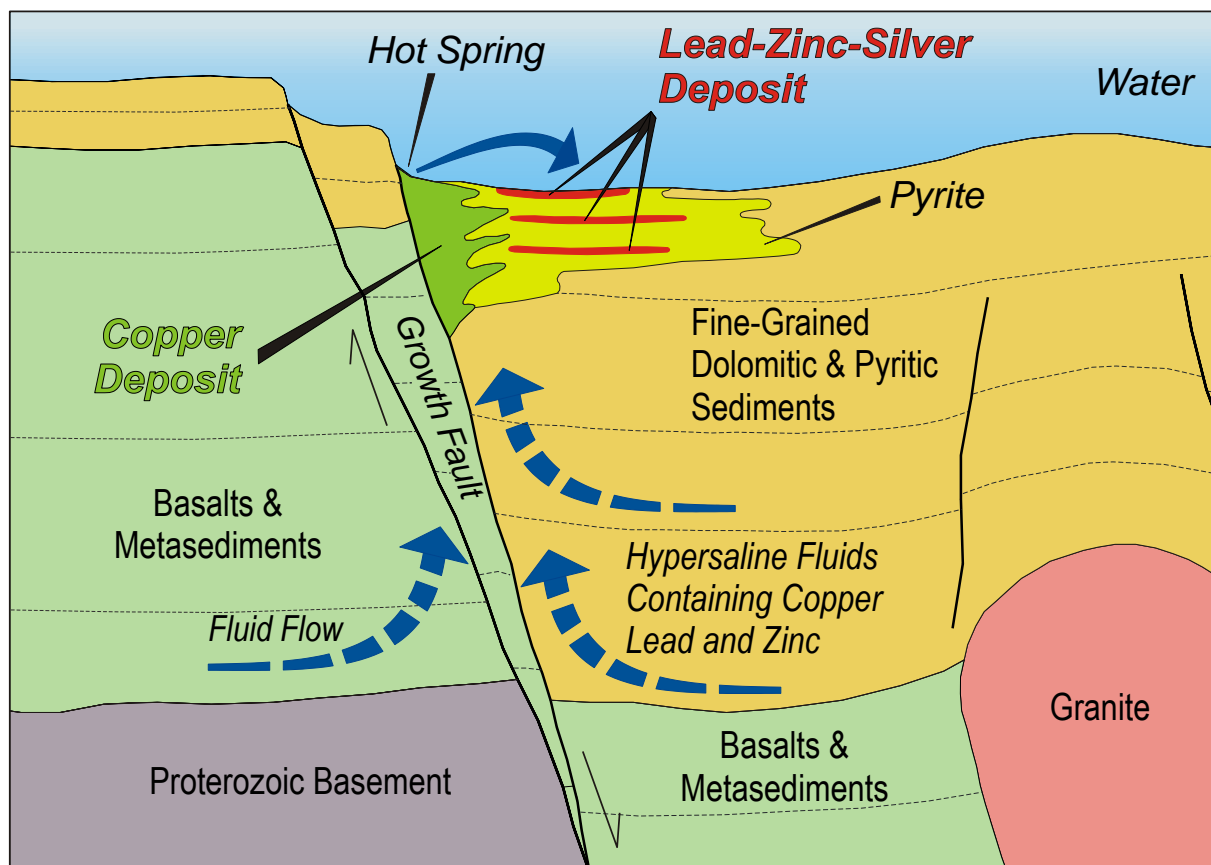


Figure 7. SPQ's model for Proterozoic mineralisation of the Mount Isa type. The model indicates, for example, how both stratiform lead-zinc and pyritic shale expand the target zone for the discovery of Mount Isa type copper deposits and the importance of basic rocks to copper deposit formation.

### Geochemical Leakage into Surrounding Rocks and Overlying Cover

There are two important types of 'leakage'.

1. The formation of major metal deposits is accompanied by 'leakage' of metals at the time of formation into the surrounding area resulting in halo anomalies/mineralisation. At Mount Isa a subtle lead anomaly extends along the faults/stratigraphy well beyond the ore bodies. These anomalies are recognisable in regional geochemical images.
2. It is apparent that lead and zinc (and probably copper) are remobilized into rocks above deposits post deposit formation. The lead-zinc within Cambrian cover rocks at Century and Grevillea support this statement. The large lead-zinc anomaly at Undilla (Victor Creek and Harris Creek) make this an area potentially containing large Proterozoic deposits below the Cambrian cover in which the anomaly is hosted.

### Historical Airborne Surveys

The NWQ area is blessed by almost complete coverage by airborne magnetics and radiometrics. In addition to this coverage there are numerous historical airborne EM surveys available which are largely ignored by explorers. SPQ has acquired most of the EM surveys in digital form and processed a number of surveys to produce conductivity sections. Many of the surveys contain anomalies over



conductive graphitic sediments which makes interpretation for mineralisation difficult. However the surveys provide a view of the stratigraphy in covered areas. As mineralization is often associated with graphitic sediments the location of these conductive units can assist the delineation of prospective areas.

### **Wills Creek – Northwest Queensland**

As reported in the previous quarter, under the terms of a farmin and joint venture agreement (**JVA**) between SPQ and Sayona Mining Limited (**Sayona**) (previously DiamonEx Limited) Sayona could earn a 50% interest in EPM17012 by spending \$500,000 on exploration over an initial 2 year period and earn up to 75% over the next two years by incurring an additional \$1.5 million in exploration expenditure.

Sayona has confirmed its withdrawal from the JVA as the project did not meet with its corporate objectives. The JVA is now terminated and SPQ has surrendered EPM17012.

### **Tick Hill Gold Project**

The Company has focussed substantial resources on strengthening the Company's contractual rights with respect to the Tick Hill project by entering into a term sheet with Diatreme Resources Limited (**Diatreme**) that provides the Company with an option to acquire a 100% interest in the project. Under an existing joint venture agreement (**JVA**) with Diatreme, SPQ has the right to earn up to a 50% interest in Tick Hill. SPQ's ability to earn the interest is currently conditional on the transfer of the Tick Hill mining leases from Mount Isa Mines Limited to Diatreme. The Company's increased focus on the Tick Hill project has been based on prospects of an expedited transfer of the mining leases.

## **INVESTMENTS**

SPQ maintains an exposure in relation to ASX listed uranium focused company, Deep Yellow Limited (ASX:DYL). At 30 June 2014, the company holds 7,000,000 DYL shares with a closing value of \$133,000.

**Peter Hwang**  
**Managing Director**

*The information in this report that relates to Exploration Results on the Greenvale Project 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

### Cockie Creek Copper Prospect - 3D IP Modelling, 2013

#### 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"> <li>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.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>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).</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>





Criteria	JORC Code explanation	Commentary
	<p><i>representative nature of the samples.</i></p> <ul style="list-style-type: none"> <li>• <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></li> </ul>	
Logging	<ul style="list-style-type: none"> <li>• <i>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.</i></li> <li>• <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li>• <i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable</li> </ul>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li>• <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li>• <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li>• <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li>• <i>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.</i></li> <li>• <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable</li> </ul>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li>• <i>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.</i></li> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable.</li> <li>• Not applicable.</li> </ul>
Verification of sampling and	<ul style="list-style-type: none"> <li>• <i>The verification of significant intersections by either independent or alternative company personnel.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable.</li> </ul>



Criteria	JORC Code explanation	Commentary
assaying	<ul style="list-style-type: none"> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	
Location of data points	<ul style="list-style-type: none"> <li>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.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable.</li> </ul>
Data spacing and distribution	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <li>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.</li> <li>Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable.</li> </ul>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>
Sample security	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable.</li> </ul>
Audits or reviews	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>None</li> </ul>

## 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	<ul style="list-style-type: none"> <li>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,</li> </ul>	<ul style="list-style-type: none"> <li>Granted Exploration Permit for Minerals 18987 “Cockie Creek” held by Superior Resources Limited (100%). Granted for 5 years on 25 September 2013 by the Queensland Government. The EPM uses the</li> </ul>



Criteria	JORC Code explanation	Commentary
<i>status</i>	<p><i>historical sites, wilderness or national park and environmental settings.</i></p> <ul style="list-style-type: none"> <li><i>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.</i></li> </ul>	<p>Native Title Protection Conditions for the protection of Aboriginal cultural heritage. Environmental Licence MIC204080712 issued by the Queensland Government. Landholder agreement in place to allow drilling to be undertaken on the Cockie Creek and One Mile projects.</p>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li><i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>	<ul style="list-style-type: none"> <li>Previous exploration by MIM and Beacon of reasonable quality.</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li><i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>The exploration targets are Porphyry Copper and Volcanogenic Massive Sulphide type deposits.</li> </ul>
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <li><i>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:</i> <ul style="list-style-type: none"> <li><i>easting and northing of the drill hole collar</i></li> <li><i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li><i>dip and azimuth of the hole</i></li> <li><i>down hole length and interception depth</i></li> <li><i>hole length.</i></li> </ul> </li> <li><i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>Previous drilling by MIM and Beacon with collars picked up by survey to a local grid and hand-held GPS. Drill hole data in digital form from MIM and Beacon.</li> </ul>
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li><i>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.</i></li> <li><i>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.</i></li> <li><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>	<ul style="list-style-type: none"> <li>Intervals intersection for historical drilling calculated using weighting by sample interval length with no cutting of high-grades. A Cu cut-off grade of 0.1% used for marginal areas and 0.2% applied in central areas. The cut-off grade for gold was 1.0g/t.</li> <li>A maximum of 4m of sub cut-off grade used within mineralised intervals</li> </ul>
<i>Relationship between mineralisation</i>	<ul style="list-style-type: none"> <li><i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li><i>If the geometry of the mineralisation with respect to the drill hole</i></li> </ul>	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>





Criteria	JORC Code explanation	Commentary
<i>widths and intercept lengths</i>	<p><i>angle is known, its nature should be reported.</i></p> <ul style="list-style-type: none"> <li><i>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 width not known').</i></li> </ul>	
<i>Diagrams</i>	<ul style="list-style-type: none"> <li><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></li> </ul>	<ul style="list-style-type: none"> <li>Included</li> </ul>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li><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></li> </ul>	<ul style="list-style-type: none"> <li>Historical exploration results previously reported.</li> </ul>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li><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></li> </ul>	<ul style="list-style-type: none"> <li>Current report relates to 3D modelling of historical dipole-dipole induced polarisation (IP) results. The IP survey was completed under contract to MIM by Zonge in 1990. Overall supervision of the work was by the competent person who was employed by MIM at that stage. The drill hole intersections shown on the sections through the mineralisation are to support the conclusions on the significance of the 3D modelling results. Most exploration programs completed today use historical results and exploration often builds on these results. There are always some uncertainties in using historical results as is the case here but these uncertainties are lessened because of the involvement of the competent person with the original program. Reporting of inferred resources based on historical drill results for the Cockie Prospect has previously occurred.</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li><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></li> <li><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></li> </ul>	<ul style="list-style-type: none"> <li>The next principal work required is drilling after the wet season and subject to meeting all preliminary requirements.</li> </ul>



**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	Turpentine Creek	EPM(A)19552	Dajarra	100%	SPQ	Application
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

- Mining tenements acquired and disposed of during the quarter and their location**

State	Tenement Name	Tenement ID	Location	Interest	Holder	Comments
QLD	Little Suliaman	EPM16995	Dajarra	100%	SPQ	Permit surrendered
QLD	Wills Creek	EPM17012	Dajarra	100%	SPQ	Permit surrendered
QLD	Wooroona Creek	EPM(A)18843	Victor	100%	SPQ	Application abandoned
QLD	Tomahawk Creek	EPM(A)25264	Victor	100%	SPQ	Application refused

- 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 Diatrema 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**



Applicable this quarter – see table below:



State	Project Name	Agreement Type	Parties	Interest held at end of quarter by exploration entity or child entity	Comments
QLD	Wills Creek	Farm-out Agreement	SPQ and DiamonEx Limited	0%	DiamonEx Limited withdrew - permit surrendered

**Notes:**

Abbreviations:

EPM	Queensland	Exploration Permit for Minerals
EPM(A)	Queensland	Exploration Permit for Minerals (Application)
ML	Queensland	Mining Lease
SPQ	Superior Resources Limited	
DON	DiamonEx Limited change of company name to Sayona Mining Limited (ASX code SYA) announced on 12 July 2013.	
DRX	Diatreme Resources Limited	
MIM	Mount Isa Mines Limited	