



Superior Resources Limited

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Tick Hill Gold Project – Surface Gold Project Regulatory approvals granted Tailings drilling to commence

- Environmental regulatory permitting obtained.
 - Tailings air-core drilling program due to commence 18 July 2015.
 - Drill program is designed to assess existing mine tailings and potential alluvial-colluvial gold within areas adjacent to the old mine open-cut pit.
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Superior Resources Limited (**ASX Code: SPQ**) (**Superior** or the **Company**) refers to a previous announcement of 27 May 2015 and confirms that on Thursday, 8 July 2015, the Queensland Department of Environment and Heritage Protection approved a twelve month Plan of Operations for exploration work to be conducted on the Tick Hill Gold Project (**THGP**).

The approval enables assessment work including drilling to be conducted on the old mine tailings dump, waste rock dump and areas with a potential for alluvial gold deposits (**Surface Gold Project**). The scope of the Plan of Operations also enables the conduct of exploration including deep drilling aimed at identifying potential faulted or otherwise displaced extensions to the original Tick Hill gold resource. Deep drilling is not within the scope of the current program but will take place at a later date.

The Surface Gold Project will be conducted on a 50:50 joint venture basis with Diatreme Resources Limited (**DRX**) and the deep exploration is currently progressing on a 100% SPQ funded earn-in basis.

Work on the Surface Gold Project is planned to commence on 18 July 2015 with an initial first stage air-core drilling program of the mine tailings dump and potential alluvial areas. This initial program will comprise approximately 35 air-core drill holes spaced 50 metres apart within the area of the existing tailings dam and 25 holes to test the alluvial potential over specific drainage areas proximal to the existing open-cut pit.

Subject to positive results being obtained from the initial phase of drilling, a systematic evaluation program comprising intensive drilling will immediately follow.



BACKGROUND FROM PREVIOUS ANNOUNCEMENTS

Under the terms of an Exploration Farm-in and Joint Venture Agreement (**JVA**) with DRX, the tailings, alluvial-colluvial gold and all other surface sources of gold are being assessed jointly with DRX. The joint arrangement requires each party to contribute 50% of all costs associated with the operations.

All drilling operations associated with the surface gold assessment program will be conducted with a DRX-owned drill rig. These costs will also be shared equally between the parties.

Tick Hill Project goals – exploration and assessment targets

SPQ's focus on the THGP is two-fold:

1. conduct exploration to identify a faulted extension to the earlier mined high grade mineralised zone, which averaged 22.6 grams per tonne; and
2. Surface Gold Project: evaluate and if feasible, exploit "surface gold" surrounding the old mining operation, which will include potential alluvial gold, mine tailings and waste rock dumps.

Whilst the assessment of the mine tailings and the alluvial-colluvial gold are components of the Surface Gold Project, SPQ is also commencing preparatory work to enable exploration for the main target, being a potential faulted extension to the earlier lode.

Background: JVA Earn-in Period

Under the JVA, SPQ has the right to earn a 50% interest in the project by spending a minimum of \$750,000 on exploration, which will include substantial drilling over a two year earn-in period (which can be extended by agreement). All expenditure incurred by SPQ on the Surface Gold Project will constitute earn-in expenditure and will be counted towards SPQ's \$750,000 minimum earn-in obligation.

During the earn-in period SPQ will have the sole and exclusive right to access and conduct exploration on the project as well as to determine the nature of the exploration programs.

Upon a transfer of a 50% interest in the THGP to SPQ, SPQ will be required to pay DRX \$100,000 and an amount equal to 50% of the government security bond on the mining leases.

Mt Isa Mines Limited retains a royalty on gold produced from the mining leases, which is set at a variable rate depending on the annual grade of gold produced from mining. The royalty applies initially to gold produced above 5g/t Au and then, after payment of royalties totaling \$5M, to gold produced above 10g/t Au. A separate royalty rate applies to gold produced from tailings resulting from previous mining.

A handwritten signature in black ink, appearing to read 'Peter Hwang'.

Peter Hwang
Managing Director

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