

MARCH 2018 QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS

- **Granted an option to acquire an initial interest of 70% in the past-producing Winston Lake Zinc Project in Ontario, Canada from First Quantum Minerals Ltd which lies adjacent to the Pick Lake Project (together the “Superior Lake Project”)**
- **Reviewing, confirming, and validating the historical database with a focus on the non JORC (2012) of 1.46 Mt 15.06% Zn, 0.84% Cu, 36.84g/t Ag, and 0.49g/t Au at Pick Lake**
- **Superior Lake Project re-development strategy established to bring the project back into production with preliminary evaluation studies to commence in the mine dewatering, re-equipping of the shaft and processing plant**
- **Commencement of the development of a 3D geological model with the collection, entry and interpretation of historical data of the Superior Lake Project**

Superior Lake Resources (SUP.ASX) (the “**Company**”) is implementing a re-development strategy at its Superior Lake Project that includes the earlier high-grade zinc producing mines of Pick and Winston Lake located in northwest Ontario, Canada (Project).

The Superior Lake Zinc Project is known to host the highest-grade zinc deposits in Canada.



Figure 1: Superior Lake Project Location

The Winston Lake Mine produced some three (3) million tonnes and the Pick Lake Zinc Mine produced 173,000t of zinc ore respectively before the operation was suspended in December 1998 due to the poor zinc price at the time of approximately US\$0.42/lb.

Geology

Work carried out in the March quarter included data collection and data compilation.

Data collection

- The First Quantum Minerals (FQM) office in Schreiber was visited in early March 2018 to collect historical drilling data and geological information associated with the operations and previous exploration programs including drillhole logs, geological mapping, cross-sections and plans.
- Historical reports and drillhole logs filed with the Ontario Ministry of Northern Development and Mines (MNDM) were sourced.

Data compilation

- Data entry of historical drillhole logs (geology, assay, collar survey and downhole survey information) commenced in March 2018. Data entry is currently ongoing and should be complete in April 2018.
- Scanning of underground geology drive mapping and geological cross sections commenced (and was completed) in March 2018.
- Digitising of geology plans will commence in April 2018.
- Drillhole database compilation will commence in April 2018.

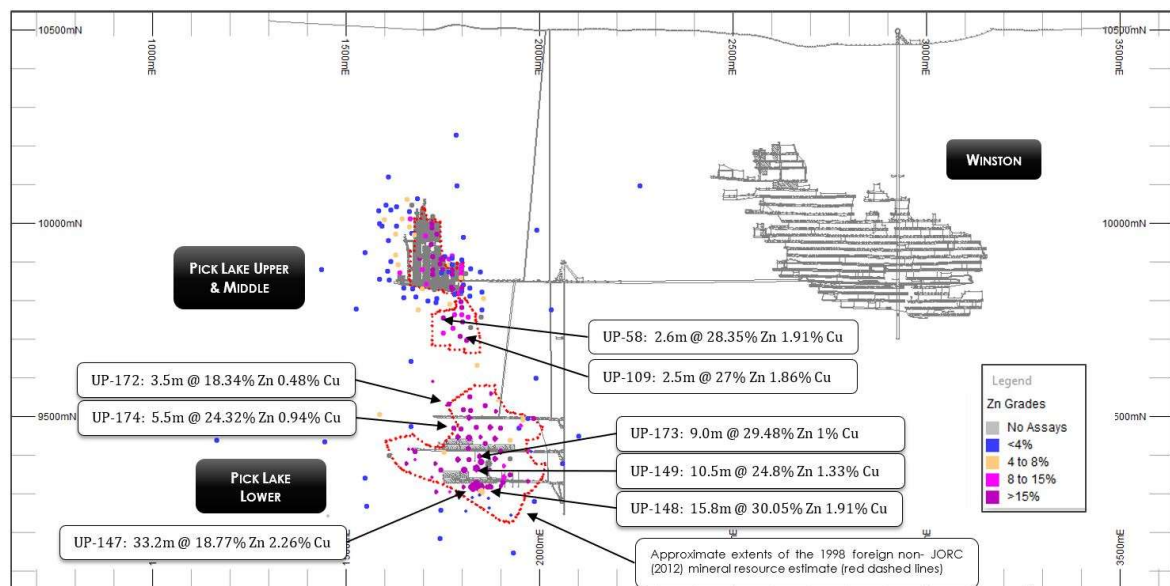


Figure 2: Long-section view of Pick Lake and Winston Lake underground workings with drillhole intercepts at Pick Lake. Mine development & stopes (grey), 1998 foreign non-JORC (2012) estimate extents (red dashed line) This information has been sourced and reproduced from historical Inmet Mining Corp figures and reported results have yet to be validated by the competent person

Mining, Engineering & Infrastructure

The work carried out in the quarter has included site visits, data collection and review and project development planning. Specifically, the following occurred during the period:

Site

- Two site visits were made during the period. The first as part of the Superior Lake due diligence process and included meetings with the provincial government and potential contractors.
- The second visit was primarily to the FQM office in Schreiber to collect historical data associated with the operations and previous exploration programs.

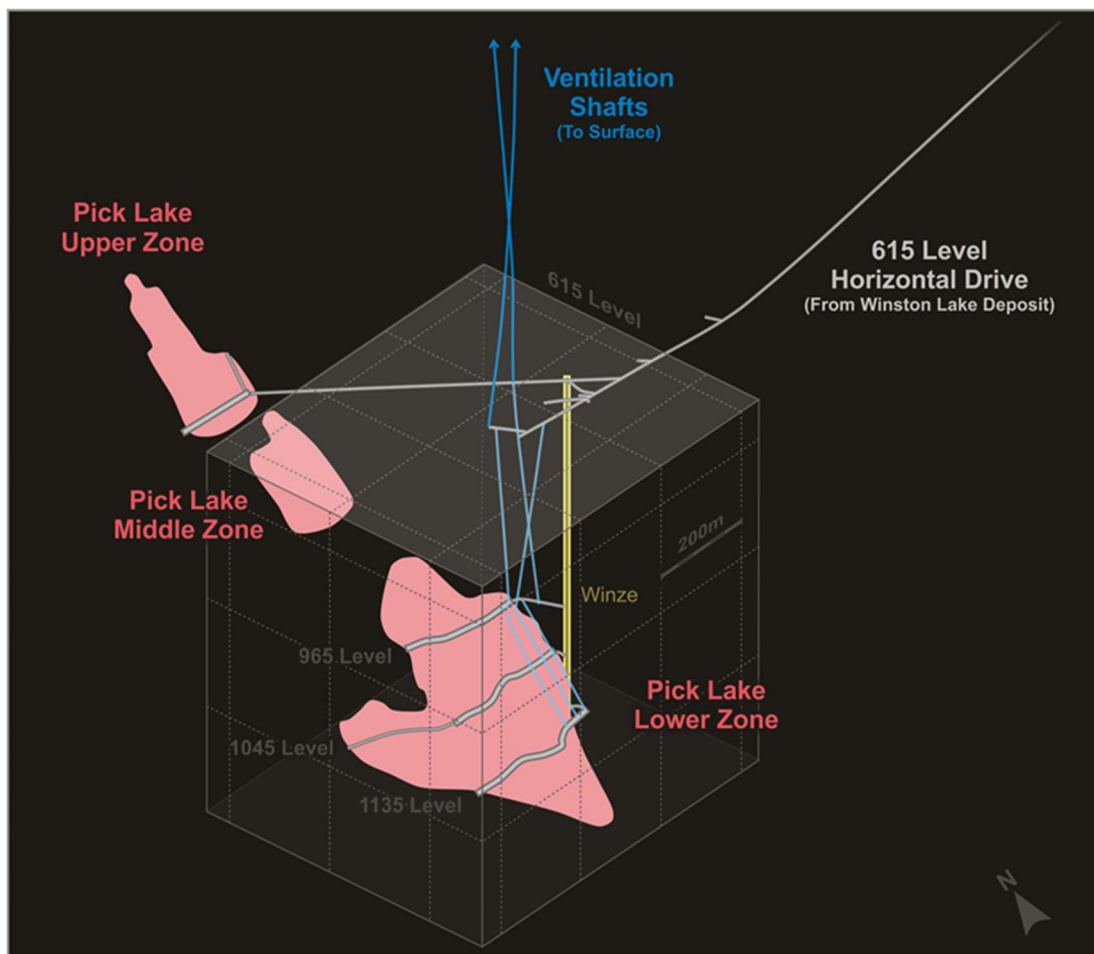


Figure 3: Historical 3D Model of Pick Lake Deposit

Engineering

- The data from Schreiber is being reviewed and collated to produce an assessment of the operation at the time of closure in 1998, as well as an understanding of the current status.
- As part of the re-development strategy a request for proposal (RFP) has been developed and sent to three Canadian based engineering consultants for quotations.
- This initial piece of work, part of the Stage 1 re-development plan, includes preliminary studies on mine dewatering, re-equipping of the mine (shafts, haulage systems etc.) and capital cost estimates for the new concentrator on site.
- This Stage 1 work should start in early May and is expected to take three months to complete.
- Other relevant data from third parties who have done work previously at Winston Lake or Pick Lake is being sourced, including the testwork undertaken by SGS Canada on metallurgical samples taken before and during operations.
- Discussions with persons previously involved in the operations are also being held to gain further insight into the project.
- A list of preferred bidders for the Stage 2 work is currently being considered.

Social & Environmental

- Preliminary meetings have been held with the Ministry of Northern Development and Mines to get an understanding of the regulatory environment
- Previous closure plans for the asset and inspection reports have been obtained and are being reviewed
- Planning for meetings with the project stakeholders, including the First Nation people, are being developed.

Other Projects

Leonora Project E39/1582 (100% SUP)

Superior has not renewed the Leonora project inclusive of tenement E39/1582 located 80 km southwest of Laverton, and approximately 55km east southeast of Leonora. This project was seen as prospective for nickel, cobalt and gold.

Mt Morley Project E30/477 (100% SUP)

A review of the Mt Morley Project occurred during the March quarter with a strategy relating to the asset to be finalised during the June quarter.

Corporate

During the quarter, the Company completed the acquisition of the Pick Lake Project. As part of the acquisition and as voted by shareholders, the Company appointed Mr Grant Davey and Mr Peter Williams as executive director and non-executive director respectively on 27 February 2018.

The Company also raised a total of \$2.5 million during the March 2018 quarter and ended the quarter with \$2.1 million cash at bank.

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