

Superior Resources Limited

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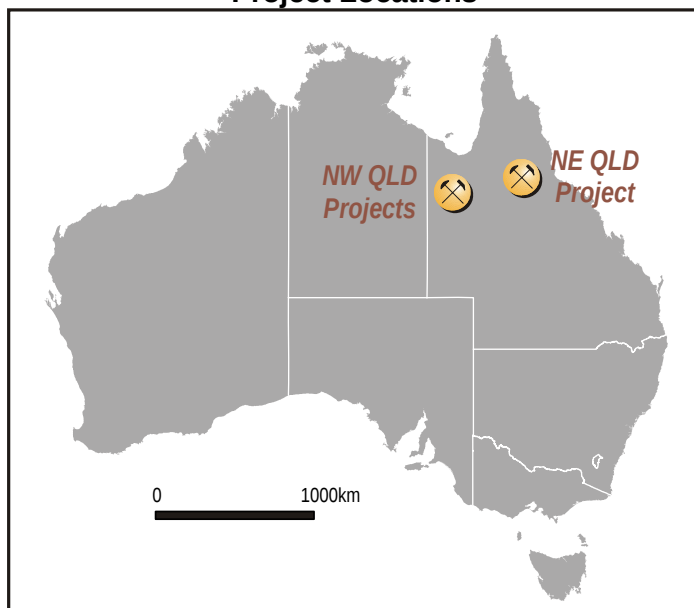
30 JUNE 2012

QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS

- Drilling at ML6750 “One Mile” extended the sulphide body to the south with improved copper and gold grades and an increase in the width and intensity of the alteration zone associated with the mineralisation.
- Compilation and interpretation of historical geophysical data at the One Mile and surrounding area have outlined a number of target zones for further exploration.
- A share purchase plan to existing shareholders to raise funds for further exploration announced.

Project Locations



Superior Resources Limited

ASX:SPQ

Board

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

Securities

Ordinary Shares – 76,993,688*

* a further 1 million shares to be issued

Financial

Cash and Shares – \$0.9M

Summary

Superior Resources Limited is a Brisbane based ASX listed mineral explorer whose principle aim is the discovery 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 an exploration project in northeast Queensland for massive sulphide copper-gold-zinc deposits. Superior also holds gold, phosphate and uranium tenements.

Share Registry

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Web Site

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EXPLORATION OVERVIEW

Field work during the quarter was limited to the One Mile Mining Lease in northeast Queensland where a drilling program extended the One Mile massive and semi-massive sulphide body at depth to the south. Intersection grades for copper-gold-zinc-silver in the deepest hole (SPOM023) at the southern end were improved but still sub-economic. Hole SPOM023 showed a substantial increase in the width of the sulphide rich alteration zone enclosing the mineralisation and also a significant increase in the amount of sulphide present. Both are considered very favourable indicators for a volcanogenic massive sulphide (VMS) deposit in the area.

Work also commenced on compilation and interpretation of historical geophysical data on the One Mile and surrounding area. This work identified a number of target zones including one considered to be of high-priority. Many of the target zones lie within Superior's exploration permit application (EPMA18987) which surrounds the mining lease. Work on these target zones will not be possible until the surrounding EPMA is granted.

Superior is currently raising funds for further exploration, including further drilling at One Mile, by issuing shares under a share purchase plan (SPP) to existing shareholders. The SPP closes on 10 August 2012.

Agreement was reached during the quarter for PhosphateCorp to acquire Superior's Inca Project in exchange for 40% equity in PhosphateCorp. The assignment of the tenements is subject to approval of the Queensland Department of Natural Resources and Mines.

During the quarter, EPM18840 "Harris Creek" was granted over an area located 170km northwest of Mount Isa in northwest Queensland. This EPM encloses a prospective airborne electromagnetic anomaly. The area is in part affected by the Gregory Wild Rivers area.

Superior's current tenement position, in northeast and northwest Queensland, is shown in Figures 1 and 2 respectively.

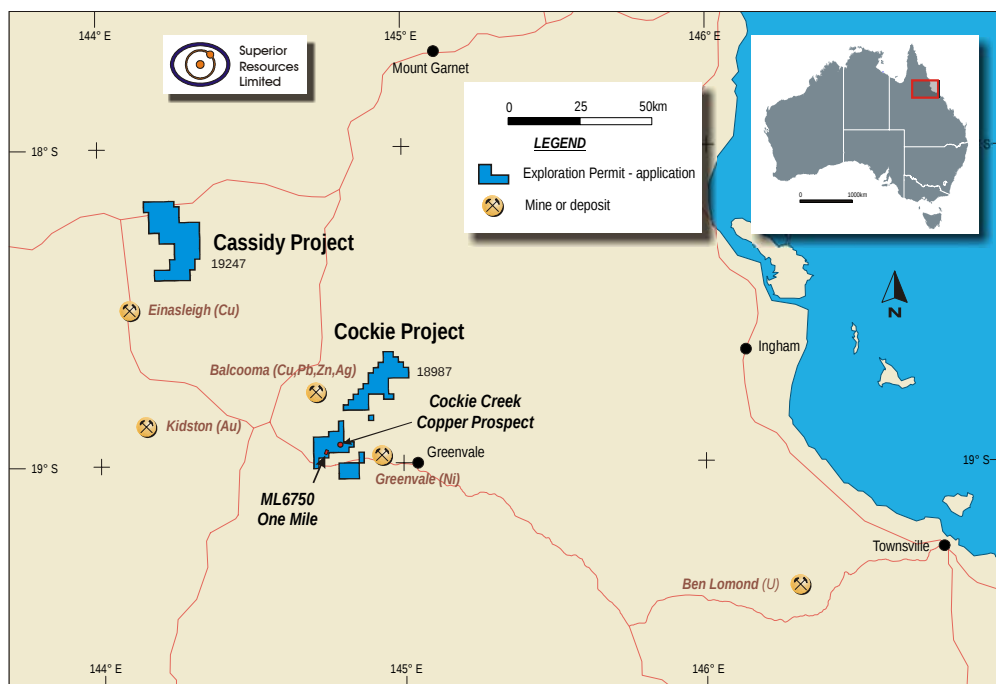


Figure 1. Superior Resources Limited - Northeast Queensland project locations.

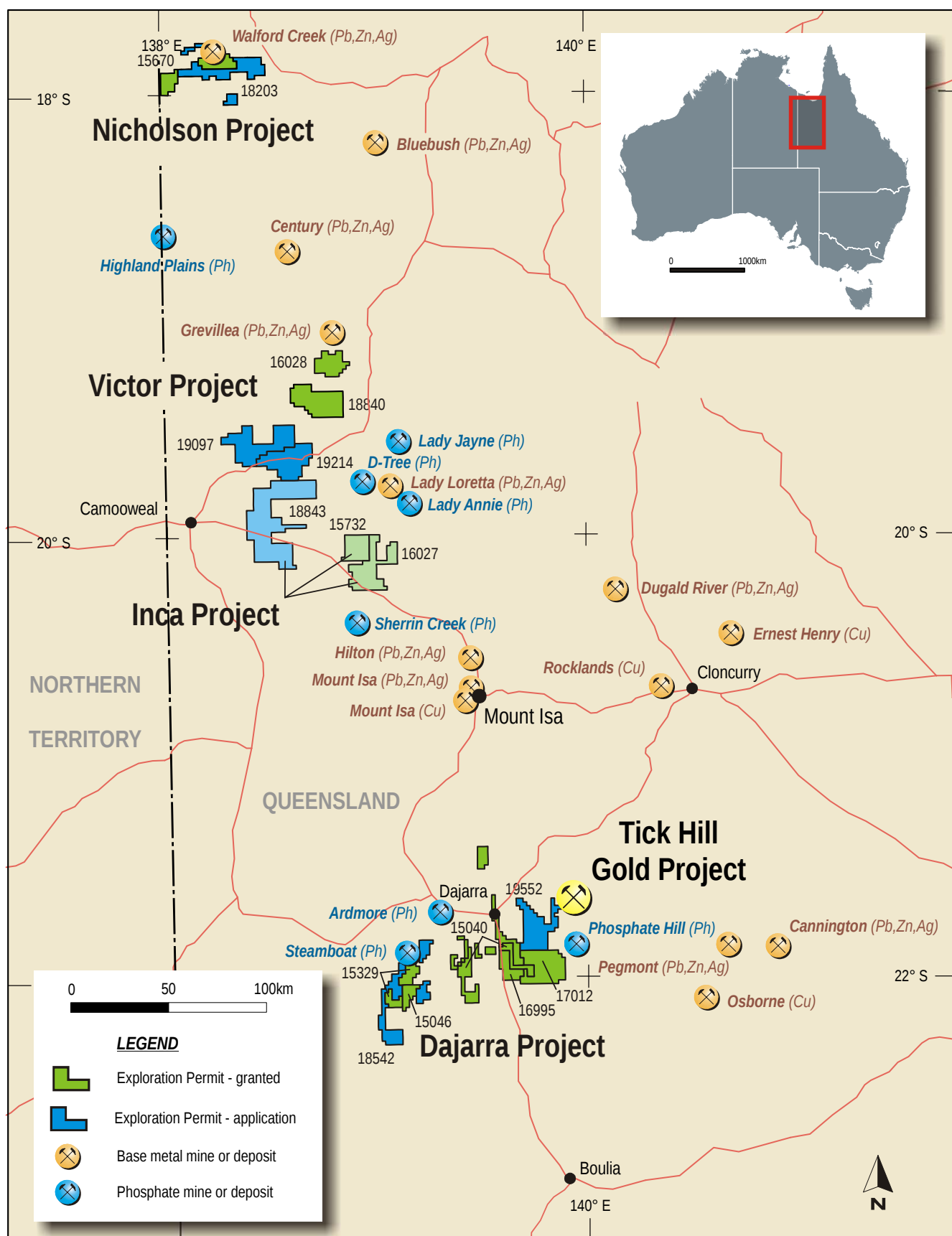


Figure 2. Superior Resources Limited - Northwest Queensland project locations.



EXPLORATION ACTIVITIES

Cockie Project – Northeast Queensland

One Mile Mining Lease

The One Mile Mining Lease (ML6750) is located 210km west-northwest of Townsville in northeast Queensland (Figure 1). The mining lease covers an outcropping gossan horizon which reflects a body of massive and semi-massive sulphides at depth. The area has potential for a volcanogenic massive sulphide (VMS) copper-gold deposit.

Following the 15 hole reverse circulation (RC) and diamond drilling program completed in the second half of 2011, a further drilling program was completed at One Mile during the quarter. A full report on the drilling program was released to the ASX on 22 June 2012.

The drilling program involved a total of 10 holes for a total of 1867m of both RC and diamond drilling and included:

- three RC drill holes and two pre-collared diamond drill holes targeting the southern extension of the mineralised zone where previous drilling indicated an increase in width and grade (Southern Extension Drilling),
- five RC drill holes targeting possible supergene enrichment below the gossans in the main gossan outcrop area (Supergene Drilling) and
- one short RC drill hole targeting the western gossan (Western Gossan Drilling).

Hole locations are detailed in Table 1, hole collars are plotted in Figure 3 and hole intersections are summarized in Table 2.

Table 1. One Mile drill holes completed in the June Quarter 2012.

Hole Name	Easting* (MGA 55)	Northing* (MGA 55)	Dip (°)	Azimuth (MGA 55)	Depth (m)
SPOM016	261916	7901485	-70	103.5	306.7
SPOM017	262029	7901440	-60	98.5	126
SPOM018	261944	7901370	-60	98.5	126
SPOM019	261958	7901573	-70	98.5	210
SPOM020	262282	7901673	-60	98.5	92
SPOM021	262320	7901740	-75	98.5	102
SPOM022	262319	7901795	-72	98.5	138
SPOM023	261910	7901486	-80	98.5	472.7
SPOM024	262276	7901672	-65	98.5	108
SPOM025	262257	7901599	-67.5	98.5	72
SPOM026	262300	7901926	-60	257	114

* Locations established by hand-held GPS

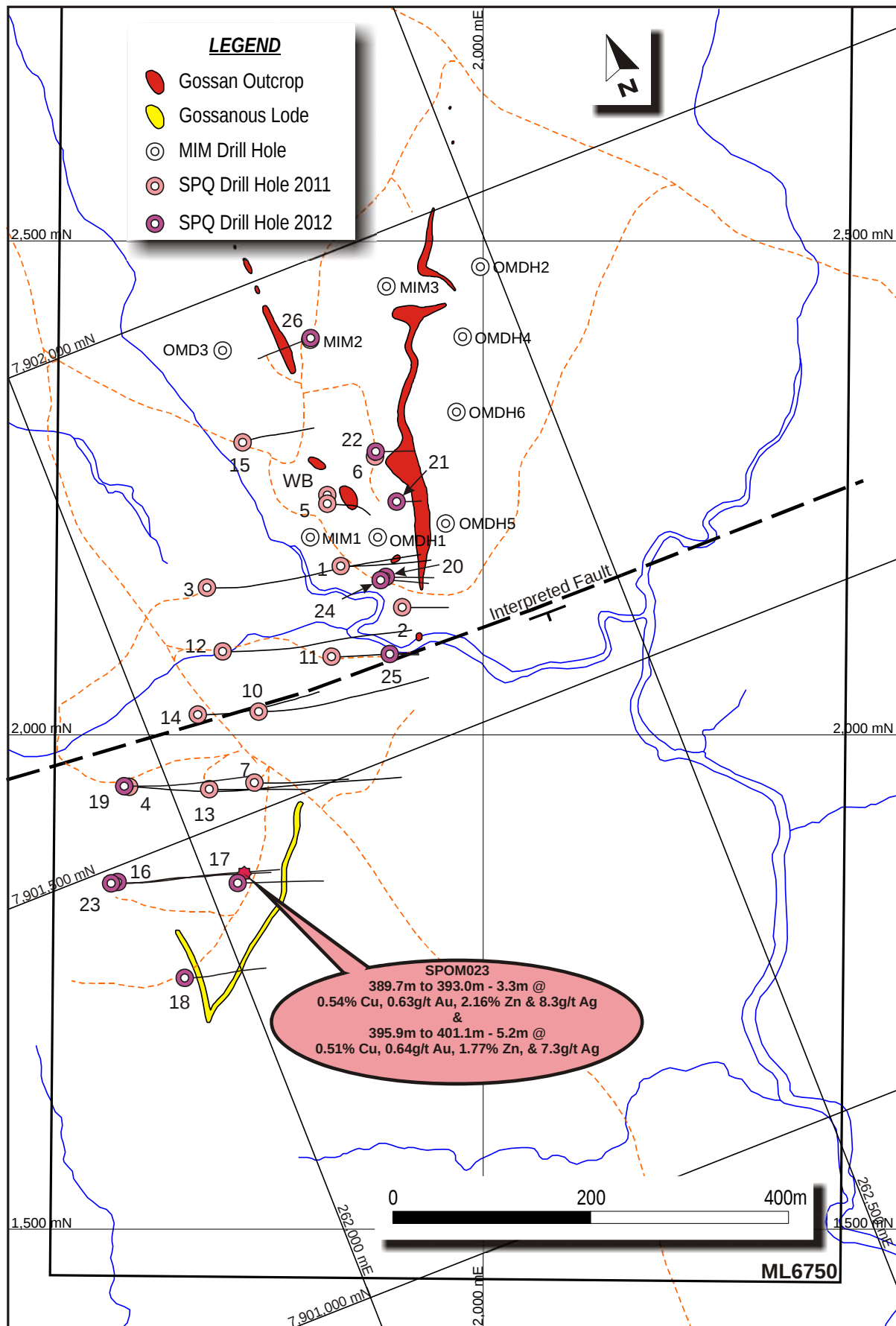


Figure 3. One Mile Mining Lease showing the locations of all drill holes and the intersections in hole SPOM023.



Table 2. One Mile drill hole intersections.

Hole Name	From (m)	To (m)	Length (m)	Cu (%)	Au (g/t)	Zn (%)	Ag (g/t)	Drill Target
SPOM020	58.0	68.0	10.0	0.06	0.25	0.01	0.4	Supergene
incl	66.0	68.0	2.0	0.23	0.13	0.02	0.5	Supergene
SPOM021	78.0	90.0	12.0	0.02	1.19	<0.01	6.3	Supergene
incl	80.0	82.0	2.0	0.01	6.10	<0.01	18.9	Supergene
SPOM022	80.0	88.0	8.0	0.01	1.14	0.01	8.8	Supergene
incl	84.0	86.0	2.0	<0.01	3.41	<0.01	21.2	Supergene
SPOM024	64.0	80.0	16.0	0.38	0.21	0.16	2.6	Supergene
SPOM025	42.0	60.0	18.0	0.01	0.33	<0.01	0.9	Supergene
SPOM016	283.6	287.3	3.7	0.47	0.40	0.14	4.2	Southern
SPOM023	386.0	388.2	2.2	0.22	0.60	0.15	5.2	Southern
SPOM023	389.7	393.0	3.3	0.54	0.63	2.16	8.3	Southern
SPOM023	395.9	401.1	5.2	0.51	0.64	1.77	7.3	Southern
SPOM023	402.3	403.3	1.0	0.24	0.40	2.24	4.3	Southern
SPOM023	403.7	405.6	1.9	0.46	0.60	0.60	5.2	Southern
SPOM023	406.6	407.3	0.7	0.22	0.30	0.09	3.0	Southern
SPOM023	413.5	415.3	1.8	0.22	0.05	0.03	1.0	Southern

Southern Extension Drilling

The drilling program completed at One Mile in 2011 indicated that the width and grade of the sulphide mineralisation at One Mile increased at depth to the south. The 2012 southern extension drilling program also supports this conclusion as indicated in the two most southern sections through the drilling shown in Figures 4 and 5.

Figure 4 shows interpreted geological cross-section, 1950N, through the most southerly holes (SPOM004, SPOM007 and SPOM013) from the 2011 drilling program. This section shows the previously reported increasing width and grade of the copper-gold mineralisation at depth. Note that extension of the sulphide zone below hole SPOM004 should be considered interpretation until further drilling is undertaken.

Figure 5 shows interpreted geological cross-section, 1850N, through three holes (SPOM016, SPOM017 and SPOM023) of the 2012 southern extension drilling. This section, located 100m south of section 1950N, supports the increase in width and grade of copper-gold mineralisation at depth. This section also shows a substantial depth increase in the width and intensity of the pyritic alteration zone enclosing the copper-gold mineralisation as indicated by the sulphur analyses shown on hole SPOM023 in Figure 5. The bottom 123.7m of hole SPOM023 has an average sulphur grade of 12.24% S. This is equivalent to a content of 22.9% pyrite. The amount of sulphide in this hole underlines the amount and intensity of alteration that occurs in this area. Whilst the copper and gold grades in hole SPOM023 are sub-economic, the drilling shows an environment which is considered very favourable for volcanogenic massive sulphide (VMS) deposits. Note also that the extension of the sulphide zone below hole SPOM023 should be considered interpretation until further drilling is undertaken.

A summary of the all drill hole intersections to date is shown in the long-section in Figure 6.

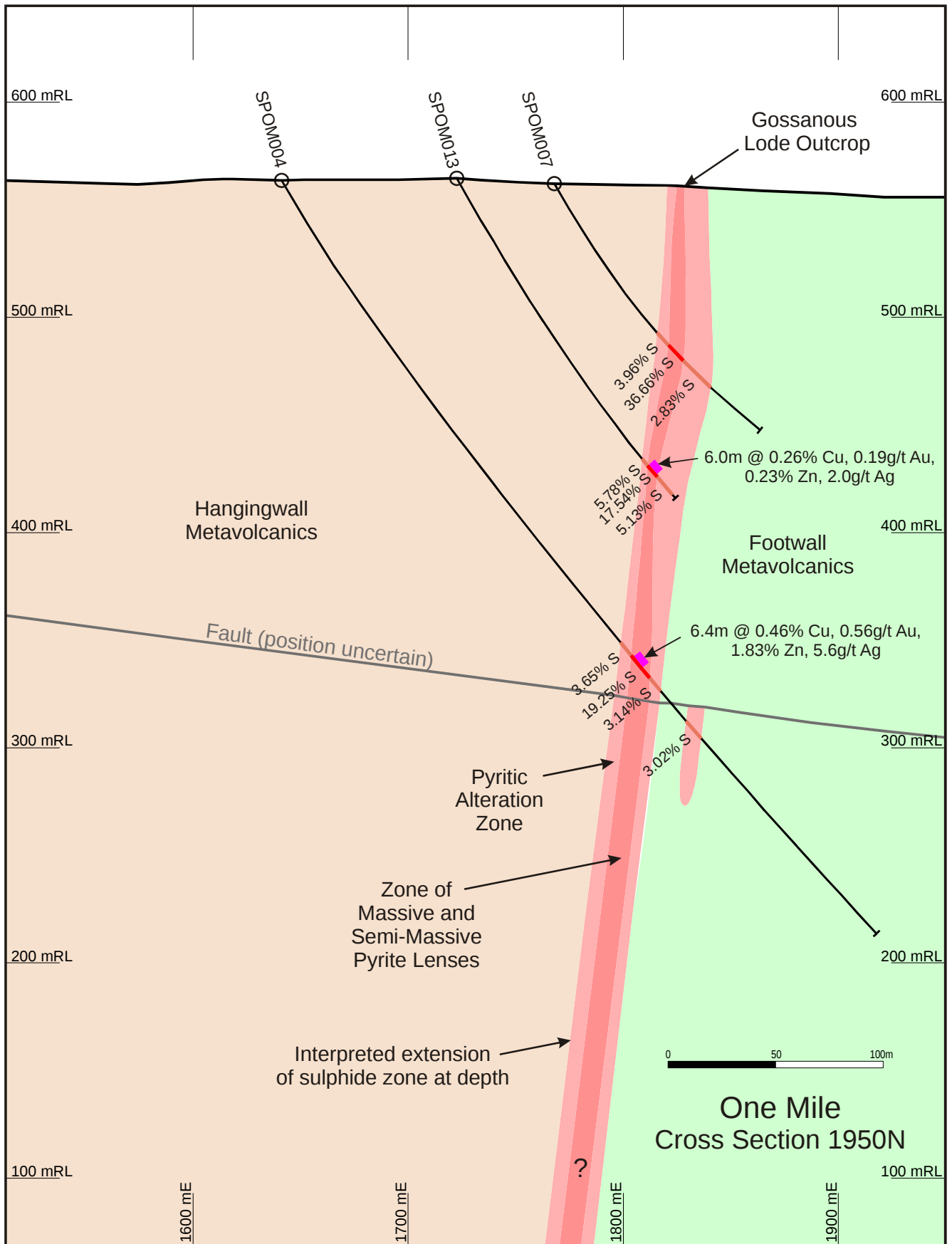


Figure 4. Interpreted geological cross-section 1950N on the One Mile Mining Lease showing the 2011 drilling which indicated an increase in grade and width of the sulphide zone at depth and to the south.

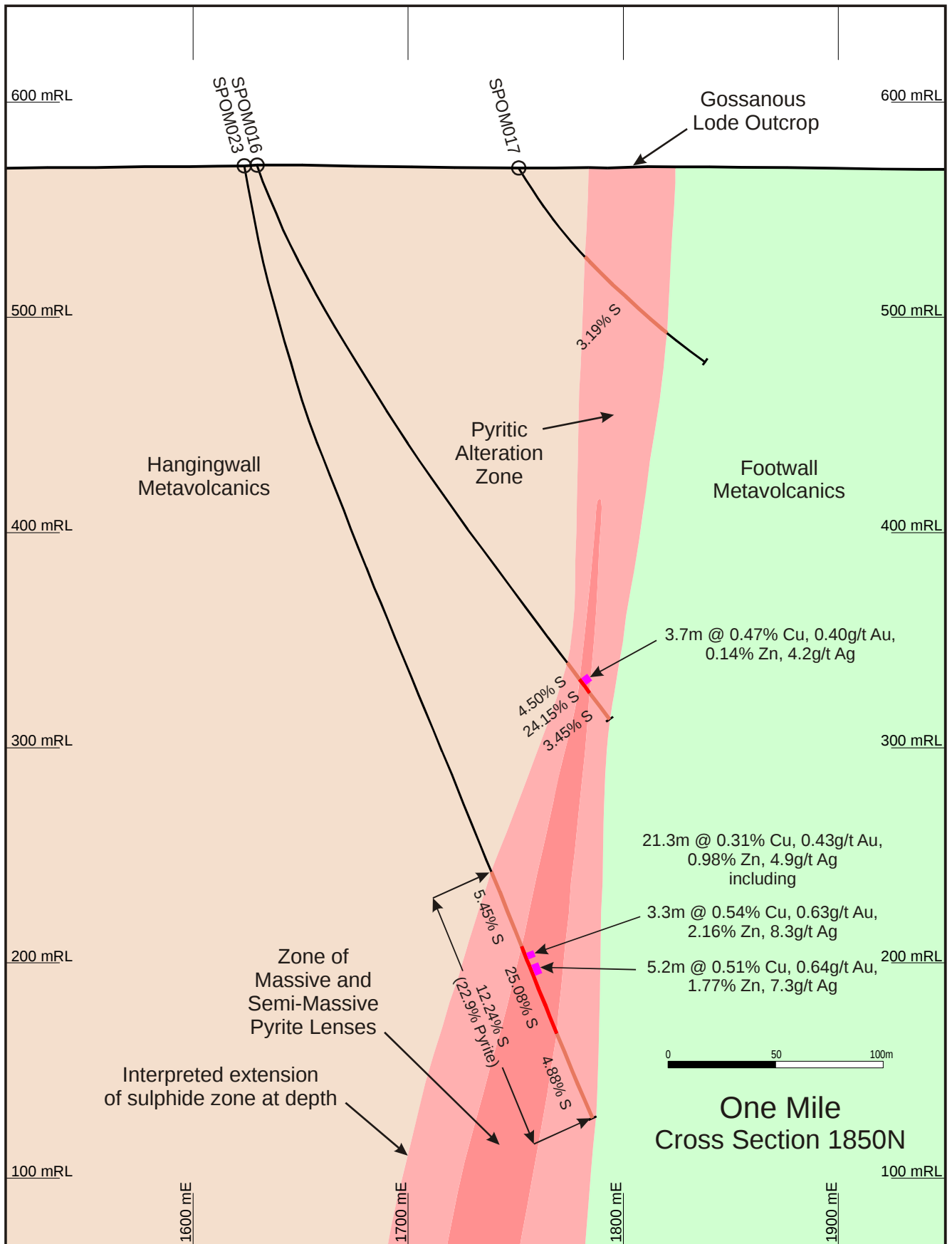


Figure 5. Interpreted geological cross-section 1850N on the One Mile Mining Lease showing the recent drilling which also supports an increase in grade and width of the sulphide zone at depth and to the south. The bottom 124m of hole SPOM023 averages 12.24% sulphur which is equivalent to 22.9% pyrite.

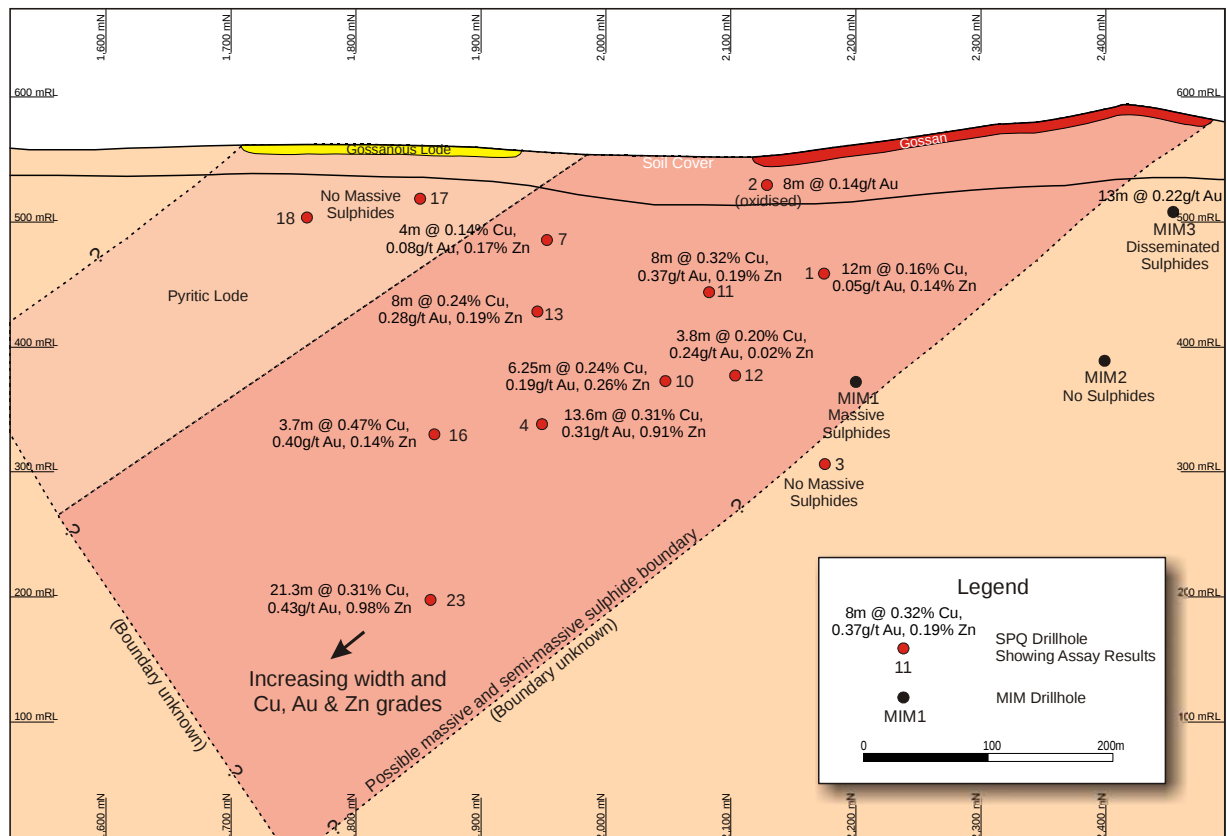


Figure 6. Long section through the One Mile Mining Lease showing drill hole intersection points, the possible plunge of the sulphide body and the increasing width and grade of the sulphide body at depth to the south.



Photograph 1. Close-up photograph of halved NQ drill core from drill hole SPOM023 showing chalcopyrite (CuFeS_2) (yellow) in massive pyrite (FeS_2) (silver-grey).



Supergene Drilling

Five RC holes (SPOM020, SPOM021, SPOM022, SPOM024 and SPOM025) were drilled to target the potential supergene copper zone at One Mile. None of the five drill holes intersected high-grade copper indicating that the expected enrichment of copper did not occur in the supergene zone.

Western Gossan Drilling

The western gossan lode is a prominent linear gossan zone lying immediately to the west of the main gossan zone. It had been targeted previously by two drill holes drilled from the western side of the gossan outcrop. Neither of these holes intersected sulphides. A short hole (SPOM026) was drilled in the current program from the eastern side of the gossan zone. This hole did not intersect significant sulphides.

Interpretation of One Mile Geophysics

During the quarter a program of compilation and interpretation of historical geophysical data on and around the One Mile Mining Lease was commenced. This work continues with computer modelling of results in progress. An update on the work was released to the ASX on 29 June 2012.

The historical geophysical data extends from the One Mile Mining Lease into the surrounding Exploration Permit for Minerals Application (EPMA18987) held by SPQ. The compilation and interpretation work has identified a number of new target zones for further work (Figure 7), including drilling, when EPMA18987 is granted.

Of these target zones the Atkinson target zone, which lies along the western boundary of the One Mile Mining Lease, is ranked as a high-priority target. It shows as anomalies in both Induced Polarisation (IP) data (Figure 8) and Versatile Time-Domain Electromagnetics (VTEM) data (Figure 9) and it is closely located with respect to the known One Mile massive sulphide body. It has not been drilled.

Three other target zones, with variable potential for copper, gold and zinc, have been identified in the area surrounding the One Mile Mining Lease. The best of these is the North target zone where a prominent gossan outcrop (Photographs 2 and 3) is associated with a weak conductivity anomaly interpreted from VTEM data.

The new target zones and the encouragement from the recent drilling program further enhance the potential of the One Mile area for the discovery of a significant volcanogenic massive sulphide (VMS) deposit.

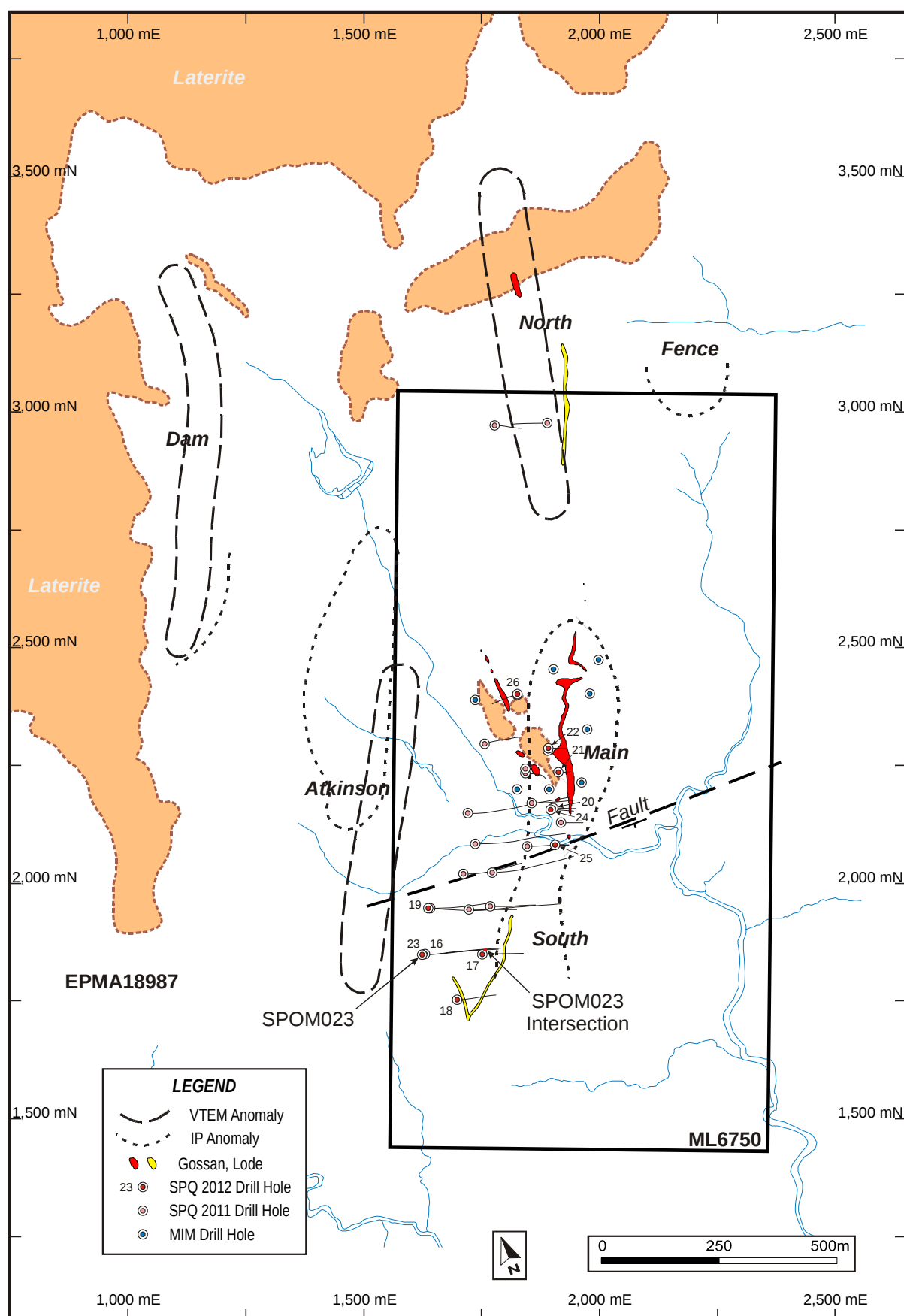


Figure 7. One Mile Mining Lease and surrounds showing the new Atkinson, North, Dam and Fence target zones which have been interpreted from historical geophysical surveys.

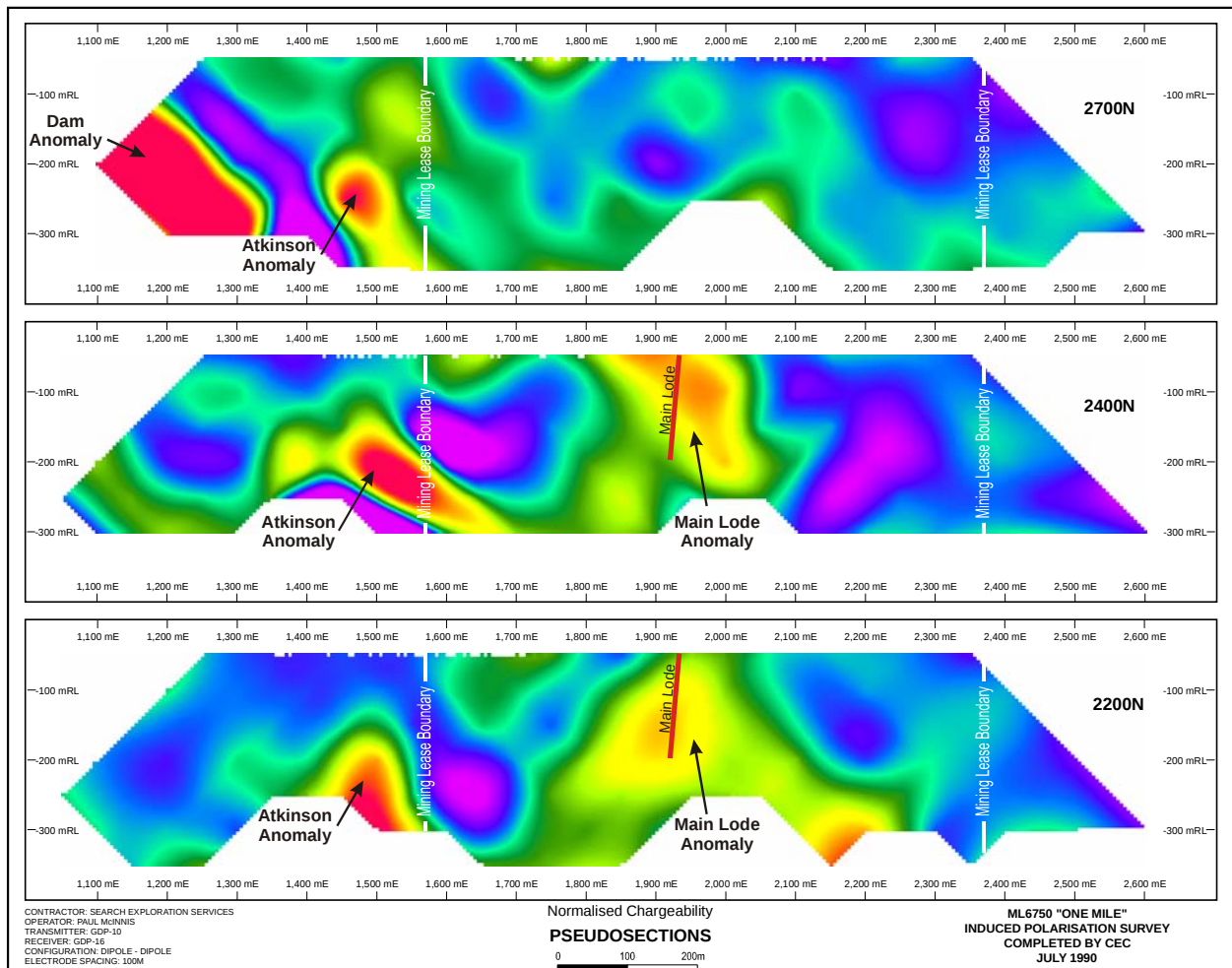


Figure 8. One Mile Mining Lease - Chargeability pseudo-sections (effectively vertical sections through the ground) from the historical IP survey showing the anomalies at the Main, Atkinson and Dam target zones. The Atkinson and Dam anomalies are of a higher order than the anomaly over the Main target zone. The Atkinson anomaly lies at a depth of approximately 150m and just on or outside the western boundary of the One Mile Mining Lease. The Dam anomaly which lies on the end of line 2700N indicates a shallow chargeable source at about 1000E to 1100E.

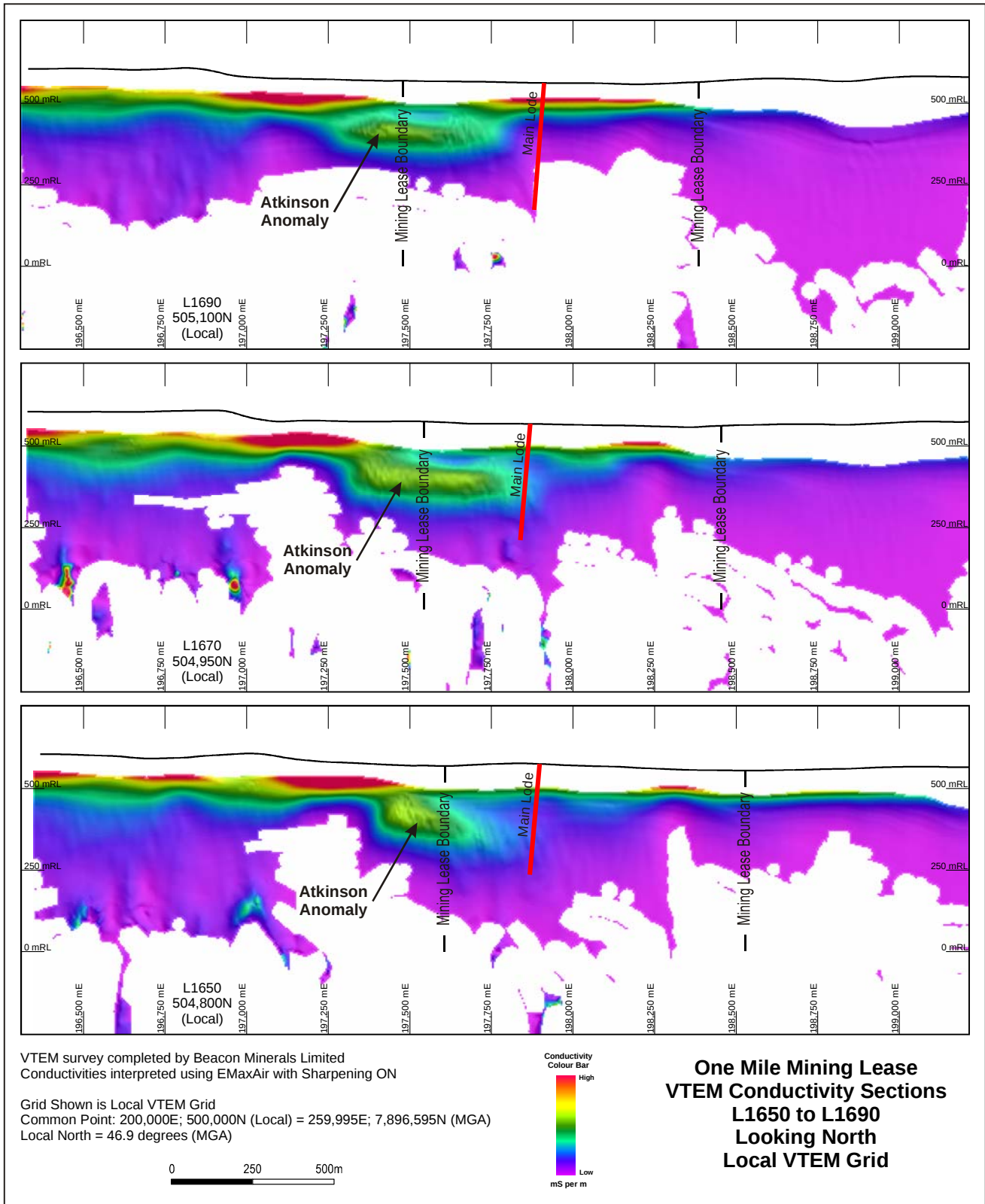


Figure 9. One Mile Mining Lease - Modelled VTEM conductivity sections showing the conductivity anomaly associated with the Atkinson target zone. The apparent flat-lying attitude of the Atkinson anomaly is not real but a limitation of the interpretation process. It is likely that the conductive body that causes the anomaly is steeply dipping and located near the centre of the anomaly and close to the western boundary of the One Mile Mining Lease. The flat-lying near surface conductive bodies shown in red are conductive clay layers.



Photograph 2. A large gossan outcrop protruding from laterite at the North target zone.



Photograph 3. A close-up photograph of the gossan at the North target zone.



Ken Harvey
Managing Director

The information in this report that relates to Exploration Results is based on information compiled by Mr Ken Harvey, a full-time employee of the Company, who is a Member of the Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. 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 2004 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.