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QUARTERLY ACTIVITIES REPORT 30 SEPTEMBER 2011

HIGHLIGHT

Drilling at Superior's 100% owned One Mile Mining Lease in northeast Queensland has intersected a substantial sulphide zone containing lenses of semi-massive and massive sulphides. The sulphides are principally pyrite with some chalcopyrite and sphalerite. The gold to copper ratio is significant in the better grade intersections with an approximate ratio of 1g/t Au to 1% Cu. The best intersection to date is 8m @ 0.32% copper and 0.37g/t gold between 132 and 140m in hole SPOM011. Drilling is continuing.

EXPLORATION OVERVIEW

Field work during the quarter continued on from work commenced in the June quarter with drilling commencing on the One Mile Mining Lease (Cockie Project) and further work, including soil sampling, on the Quita Gold Project (Dajarra Project).

At One Mile a fifteen hole program of reverse circulation (RC) drilling was completed. A program of diamond drilling which will extend some of the RC holes followed-on from the RC drilling. This latter program is still in progress.

At the Quita Gold Project a soil sampling program was completed over one of the anomalous areas delineated by the previous BCL sampling of streams in the area.

Superior's current tenement position, in both northwest and northeast Queensland, is shown in Figures 1 and 2. The Department of Mines formally accepted the surrender of exploration permits EPM15328 and EPM16029 during the quarter.

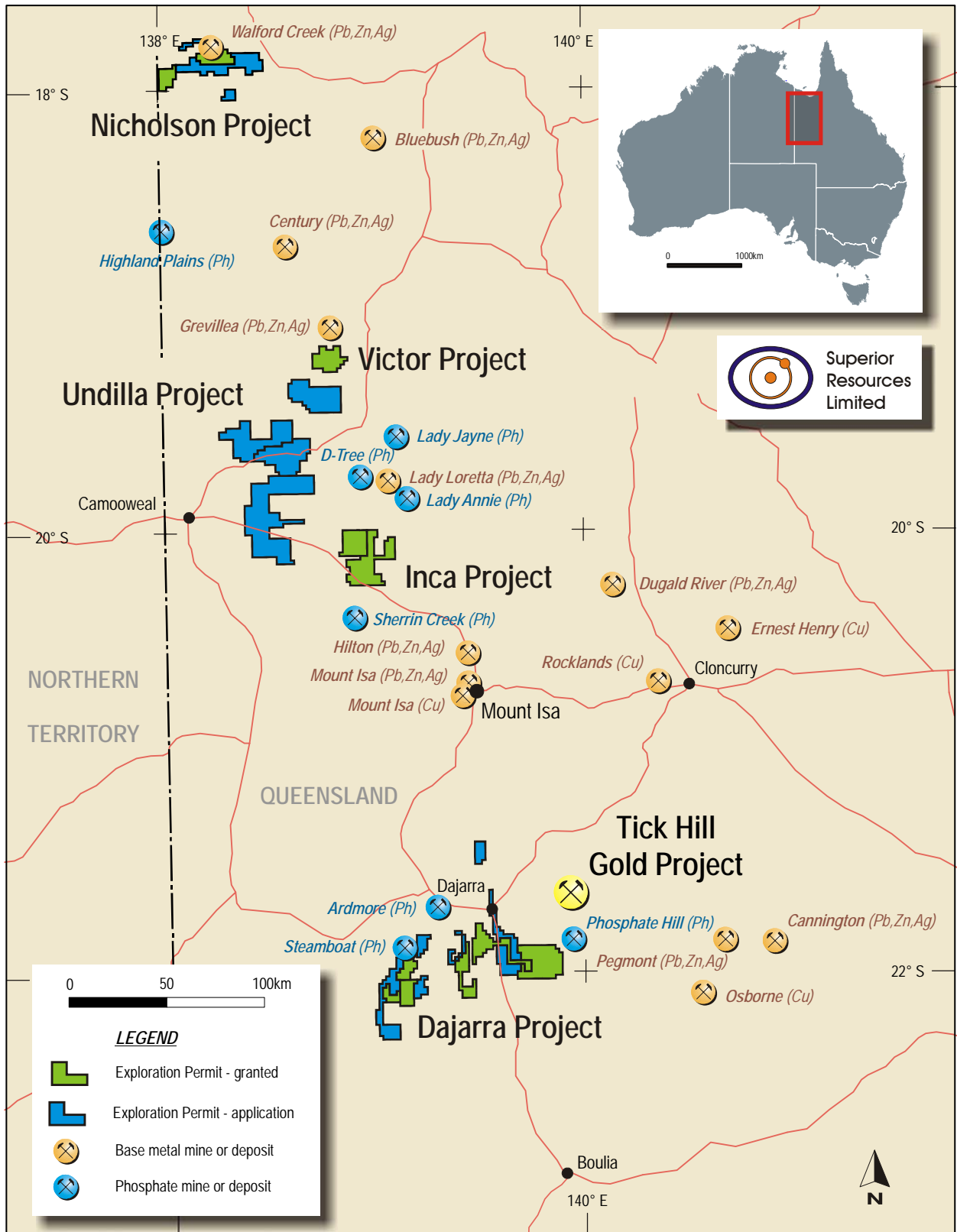


Figure 1. Superior Resources Limited - Northwest Queensland project locations.

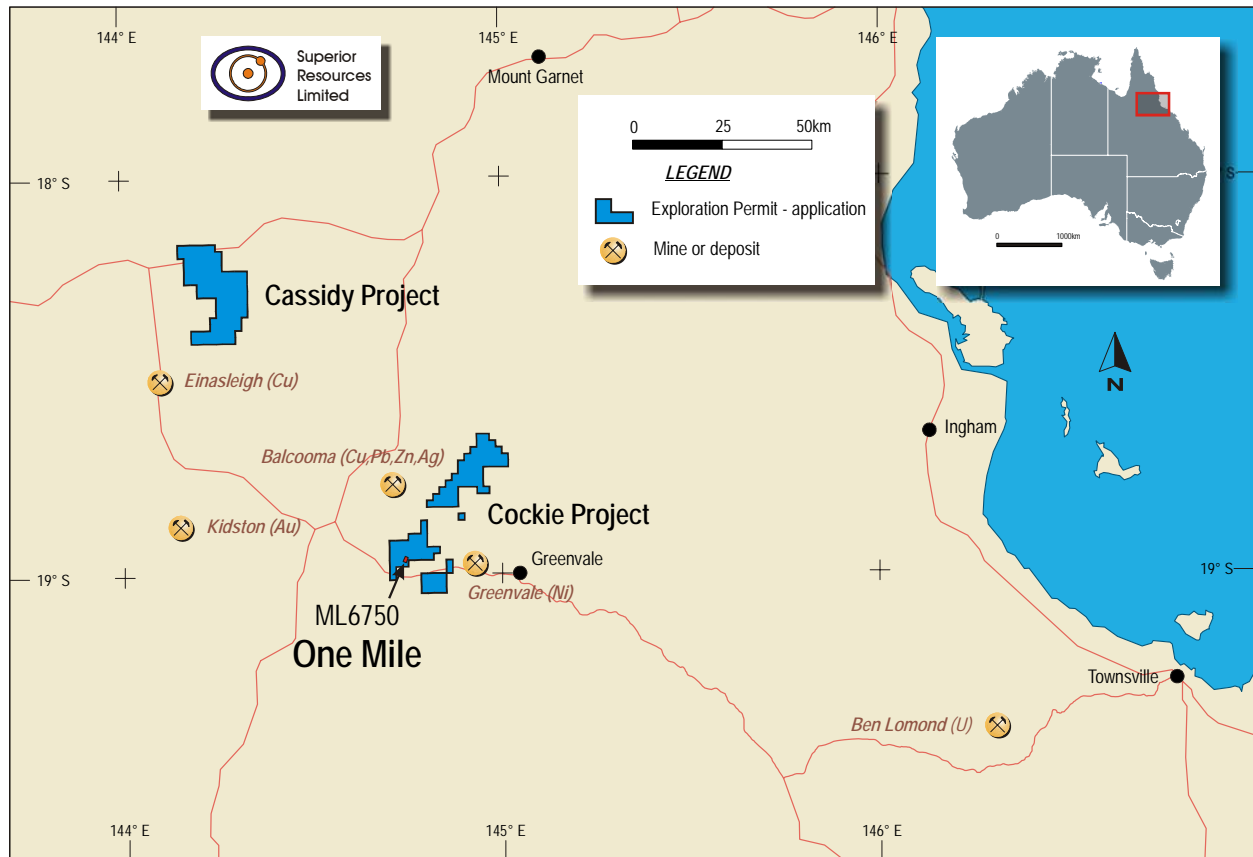


Figure 2. Superior Resources Limited - Northeast Queensland project locations.

EXPLORATION ACTIVITIES

One Mile Mining Lease – Northeast Queensland

The One Mile Mining Lease is located 210km west-northwest of Townsville in northeast Queensland (Figure 2). The mining lease covers an outcropping gossan horizon which is known, from previous drilling, to be reflecting massive and semi-massive sulphides at depth. The area has potential for a volcanogenic massive sulphide (VMS) copper-gold deposit.

A fifteen hole program of reverse circulation (RC) drilling was completed at the One Mile Mining Lease during the quarter (Table 1 and Figure 3). The program included holes which directly targeted the sulphide zone lying beneath the surface gossans and also a magnetic anomaly situated adjacent to the gossans. Additional RC holes were drilled as precollars for later diamond drilling into the sulphide zone. Two RC holes were also drilled on a VTEM anomaly in the northern part of the mining lease area.

A diamond drilling extension program targeting the sulphide zone commenced following the completion of the RC drilling and is still in progress. Diamond drill 'tails' on holes SPOM003 and SPOM004 have been completed to date.

The drilling indicates the presence of a substantial sulphide rich zone which occurs as a steeply west-dipping body. It apparently has a moderate to steep southerly plunge. The sulphide zone is open at depth and to the south. Massive and semi-massive sulphide lenses (principally pyrite [iron sulphide] with some chalcopyrite [copper iron sulphide] and sphalerite [zinc sulphide]) occur within the sulphide zone.



Table 1. ML6750 “One Mile” – RC drillhole locations.

Hole Name	North* (MGA Zone 55)	East* (MGA Zone 55)	RL* (m)	Depth (m)	Dip (°)	Azimuth (Magnetic)
SPOM001	7901699.942	262243.402	560.61	156	-60	105
SPOM002	7901638.152	262286.029	560.59	90	-60	105
SPOM003	7901729.245	262109.227	558.09	200	-60	105
SPOM004	7901570.557	261962.018	563.57	220	-60	105
SPOM005	7901763.051	262253.613	563.22	90	-60	105
SPOMWB01	7901771.595	262257.057	562.16	43	-90	0
SPOM006	7901790.496	262316.215	574.93	96	-90	0
SPOM007	7901528.158	262081.599	561.98	150	-60	105
SPOM008	7902436.446	262569.284	582.75	146	-60	285
SPOM009	7902473.203	262463.696	573.23	102	-60	105
SPOM010	7901593.399	262112.083	558.74	192	-60	105
SPOM011	7901618.045	262201.041	557.12	156	-60	105
SPOM012	7901663.293	262100.371	558.37	208	-60	105
SPOM013	7901538.501	262036.821	564.41	180	-60	105
SPOM014	7901613.043	262053.756	560.52	222	-60	105
SPOM015	7901852.858	262196.818	559.95	82	-61	83.5

* Hole locations established by DGPS

Assay results from the RC drilling indicate that the semi-massive to massive sulphide lenses intersected by the drilling contains low-grade but encouraging copper and gold values with the best intersection being 8m @ 0.32% copper and 0.37g/t gold between 132 and 140m in hole SPOM011. Results from the RC drilling using a 0.1% copper cutoff are included in Table 2. The intersections are all from within the primary zone and do not include any secondary enrichment.

Table 2. ML6750 “One Mile” – RC drillhole intersections.

Hole Name	From (m)	To (m)	Length (m)	Cu (%)	Au (g/t)	Zn (%)	S (%)	Calculated Pyrite (%)
SPOM001	118	130	12	0.16	0.14	0.05	33.87	63.34
SPOM007	92	96	4	0.14	0.08	0.17	27.20	50.86
SPOM007	108	110	2	0.11	0.05	0.53	5.44	10.17
SPOM011	132	140	8	0.32	0.37	0.19	18.09	33.83
SPOM013	160	168	8	0.24	0.19	0.28	16.39	30.65
SPOM013	174	176	2	0.16	0.05	0.56	7.42	13.88

The high sulphur analyses in Table 2 reflect the presence of substantial pyrite (as calculated and shown in Table 2) with the copper and gold values. High sulphide content is typical of VMS deposits.

The results indicate the presence of low-grade copper and gold within the pyrite body with a gold to copper ratio of about 1g/t Au to 1% Cu in the higher-grade sulphide intersections.

Whilst the intersections, to date, are not economic they are sufficiently encouraging to warrant the additional deeper diamond drilling which is now in progress to determine whether the sulphide body continues and thickens at depth and to determine the copper, zinc and gold grades at depth.

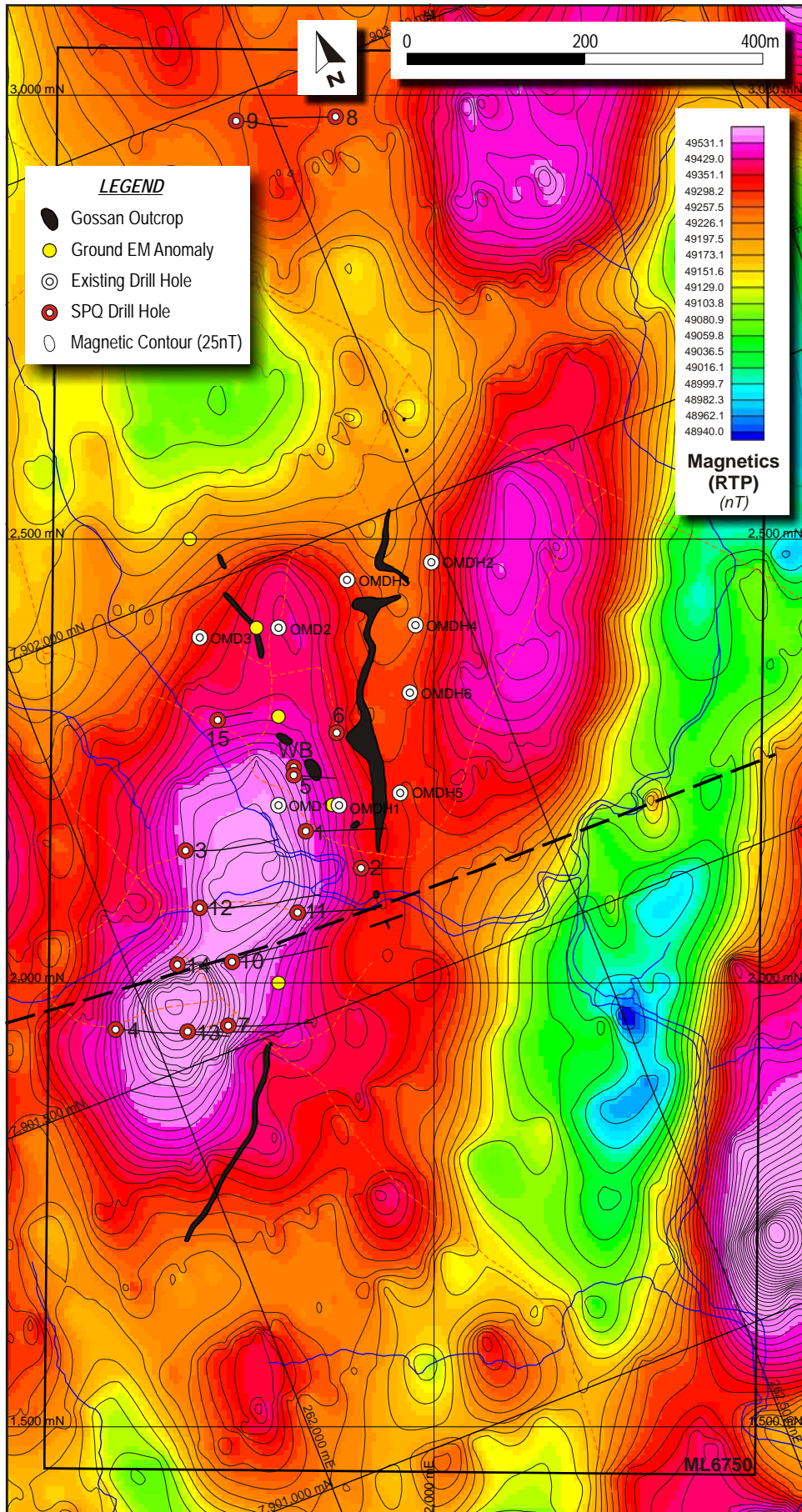


Figure 3. One Mile (ML6750) – Drillhole collar locations on a ground magnetic (RTP) image showing the gossans with the newly-mapped southern gossan extension.



A long section through the mineralized area is shown in Figure 4. This section shows the position of the main sulphide intersections from the RC drilling program and the positions where the diamond drilling 'tails' would intersect the sulphide zone if these were drilled. The section also indicates that the potential target zone for semi-massive and massive sulphides is open at depth and to the south.

A section of drill core through the sulphide zone and the underlying alteration zone from the diamond drill 'tail' on hole SPOM004 is shown in Photograph 1. A close-up photograph of the sulphide zone is shown in Photograph 2.



Photograph 1. One Mile Mining Lease – Photograph of core from hole SPOM004 for the interval 275m to 289m (Trays 14, 15 and 16). The sulphide content is significant throughout the interval with some semi-massive sulphides at the top and disseminated sulphides in strongly altered material at the bottom. The sulphides are largely pyrite but variable amounts of chalcopyrite and sphalerite occur in the top two trays.



Photograph 2. One Mile Mining Lease – Close-up photograph of core from hole SPOM004 for part of the interval from 277.1m to 279.2m (Tray 14). The sulphides are mainly pyrite at the top and pyrite and chalcopyrite at the bottom.

Geological mapping has mapped a southern gossan zone (Figure 3) which is a faulted offset from the main gossan horizon to the north. The total gossan zone now extends for some 800m through the lease area. The position of the offset fault is uncertain because of soil cover but it has been interpreted from the ground magnetics as shown in Figure 3. This fault is interpreted to dip southerly.

The sulphides lying below the southern gossan have been intersected by RC drill holes SPOM007 and SPOM013 and more recently by diamond drill 'tail' SPOM004. The sulphide intersections in the other drill holes are related to the northern gossan zone.

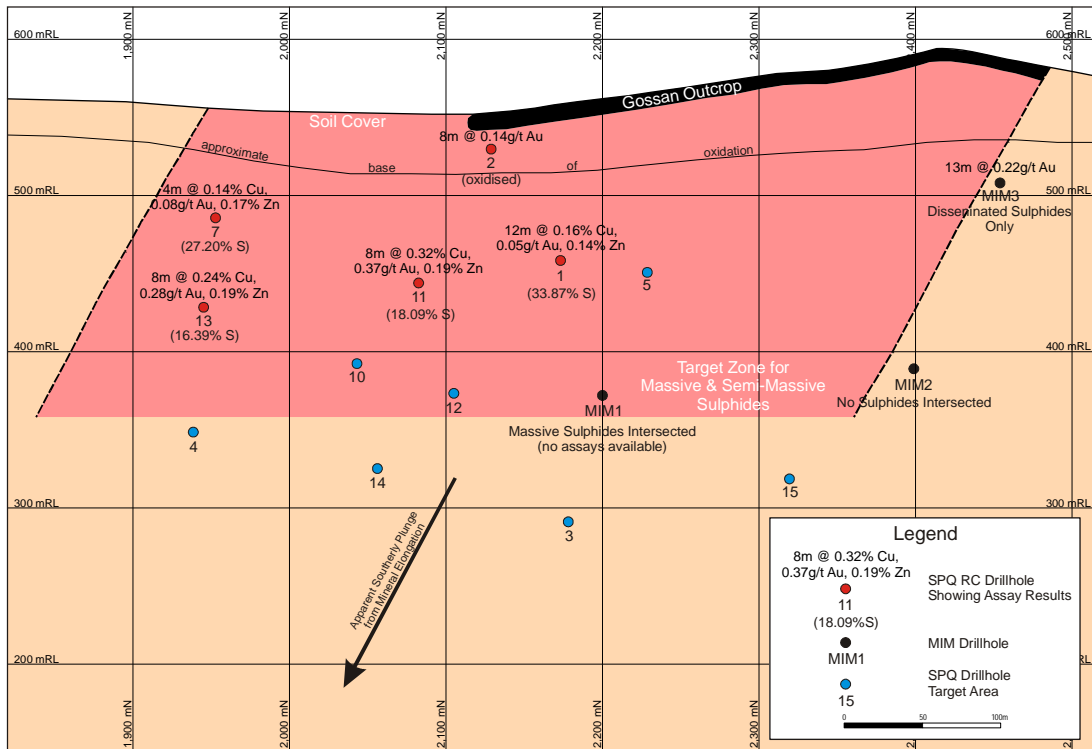


Figure 4. One Mile (ML6750) – Vertical long section (local grid) through the gossans and the drillhole sulphide intersections showing the drillholes which have intersected the sulphide zone to date and the target zones for holes that may be extended with diamond drill ‘tails’. An interpreted cross-fault between holes 7 and 11 is not shown.

Quita Gold Project - Northwest Queensland

The Quita Gold Project is situated 170km south of Mount Isa (Figure 5). Bulk cyanide leach (BCL) stream sediment sampling, as reported previously, has shown that widespread gold occurs in streams in the area (Figure 6).

During the quarter a program of widely spaced soil sampling was completed over the largest of the anomalous areas (Area 1) within the Quita Gold Project. Soil samples were collected at 50m intervals on lines at 500m spacing and submitted for gold analyses by the low-level bulk cyanide leach method and for base metals by the ICP method. The purpose of the widely spaced sampling was to locate the general source area of the widespread gold so that more detailed sampling could be undertaken to pinpoint the hard-rock source of the gold.

Soil sample results for gold are shown in Figure 7. The results show a number of low-level gold anomalies with the best anomaly in the southwestern part of the sampled area. Results for base metals have not been received at this stage but some surface copper mineralization was located during the sampling program. The significance of the gold anomalies is uncertain until follow-up work on the area is completed and the base metal results are received.

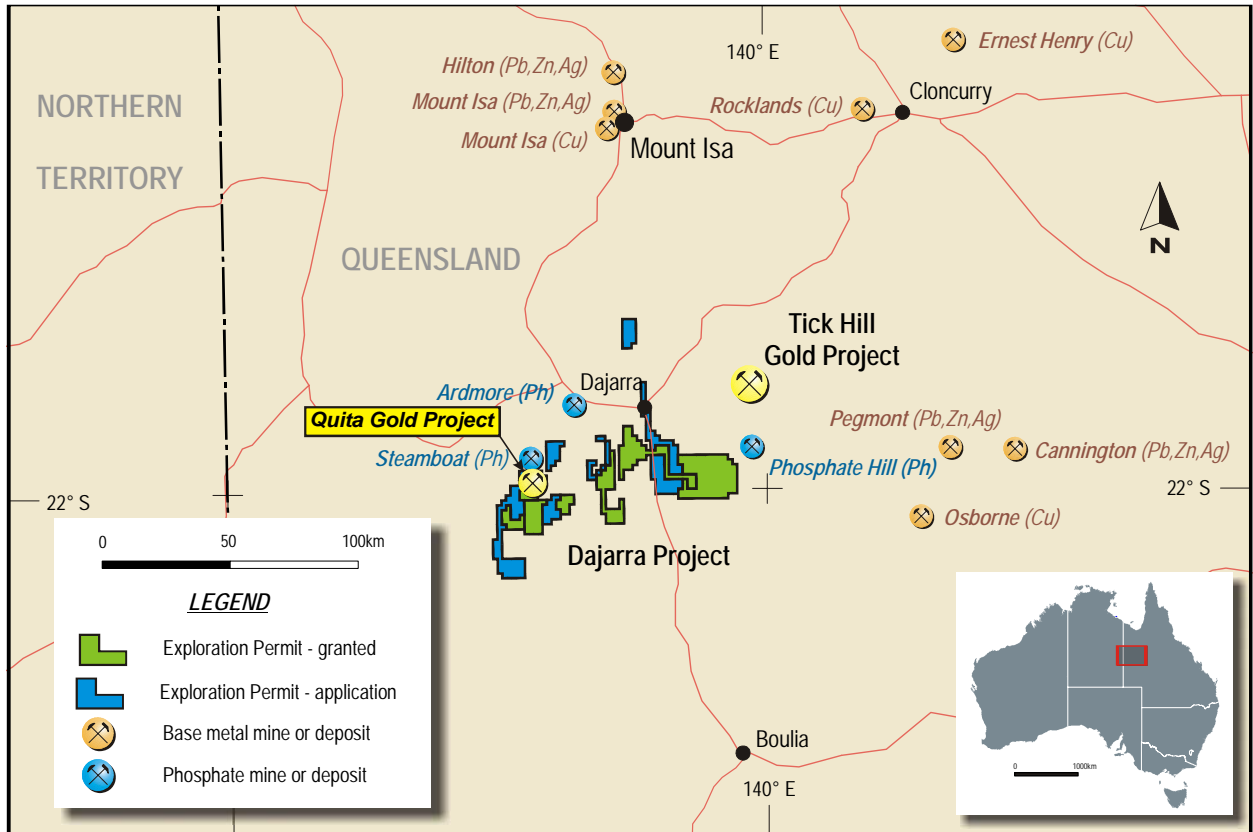


Figure 5. Quita Gold Project location.

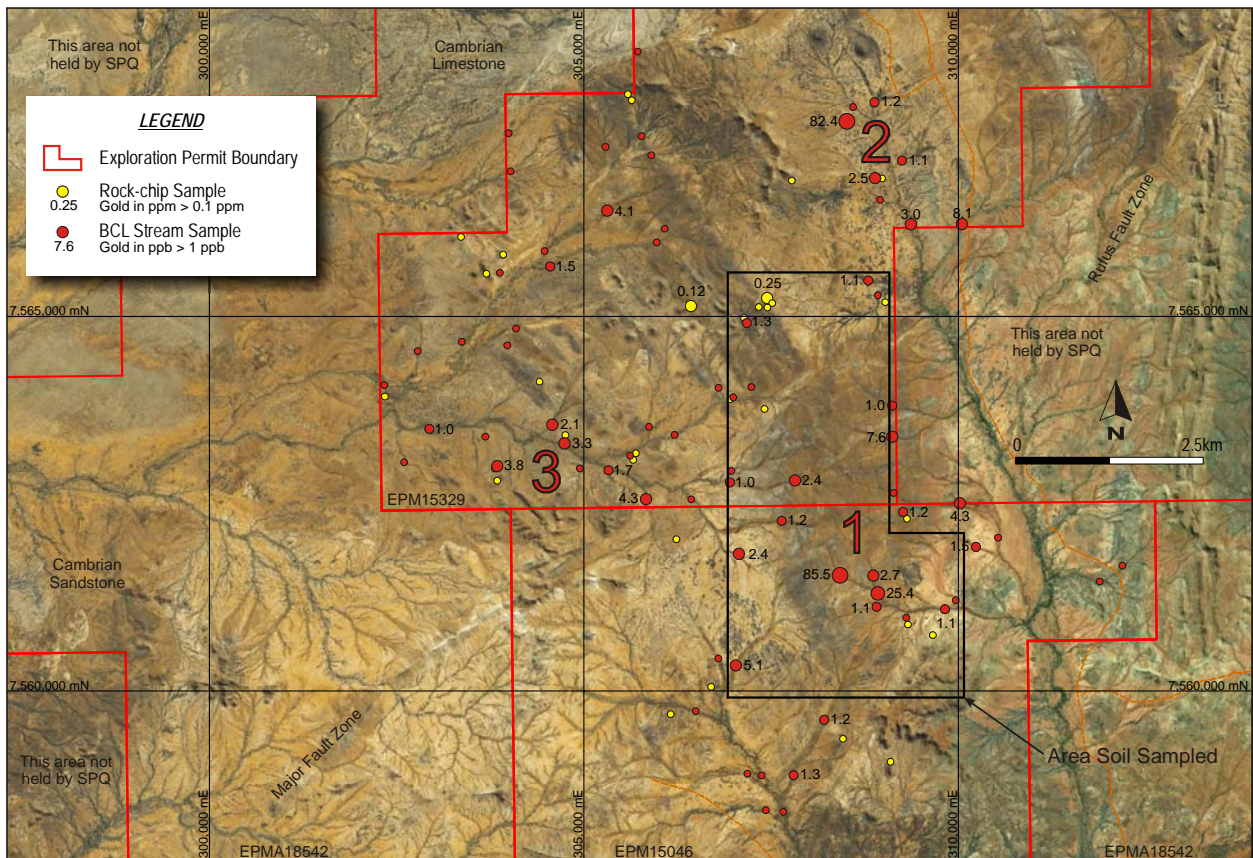


Figure 6. Quita Gold Project – Superior’s exploration permits with gold results shown on a Google Earth image. The area which was soil sampled is indicated.

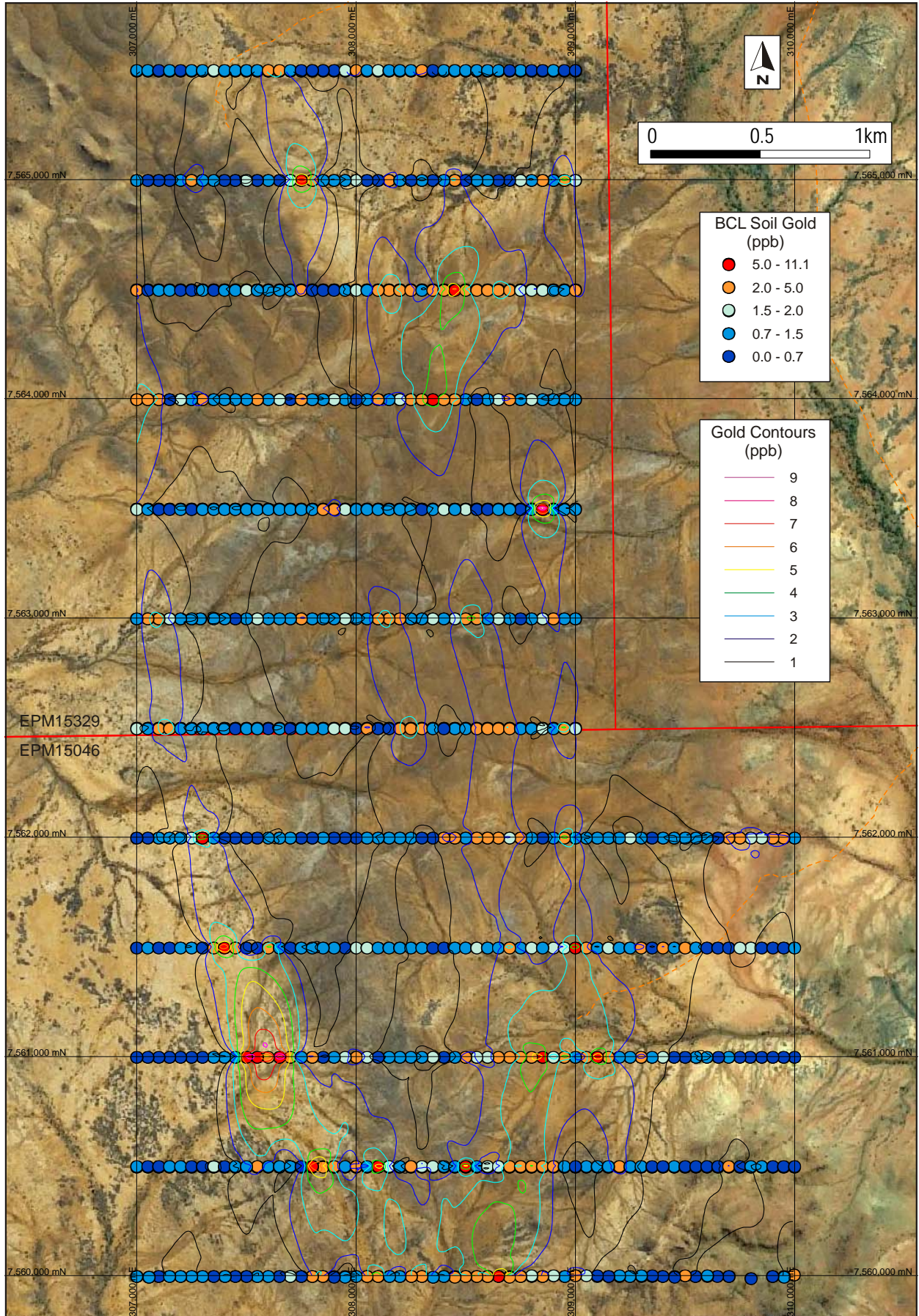


Figure 7. Quita Gold Project – Soil BCL gold sample locations, coloured on gold grade, shown on a Google Earth image with colouring and contours indicating anomalous areas.



Tick Hill Gold Project – Northwest Queensland

On 11 August 2011, Superior announced that it had reached agreement with Diatreme Resources Limited (ASX: "DRX") to farm-into the Tick Hill Gold Project, comprising granted Mining Lease No's 7094, 7096 and 7097, located 110km southeast of Mount Isa. DRX and Superior are now in the process of completing a formal agreement reflecting the agreed terms of the joint venture.

DRX has existing rights to the Project under an Option and Sale Agreement with Mount Isa Mines Limited (ISA) and is currently in the process of executing its option and assuming ownership of the project.

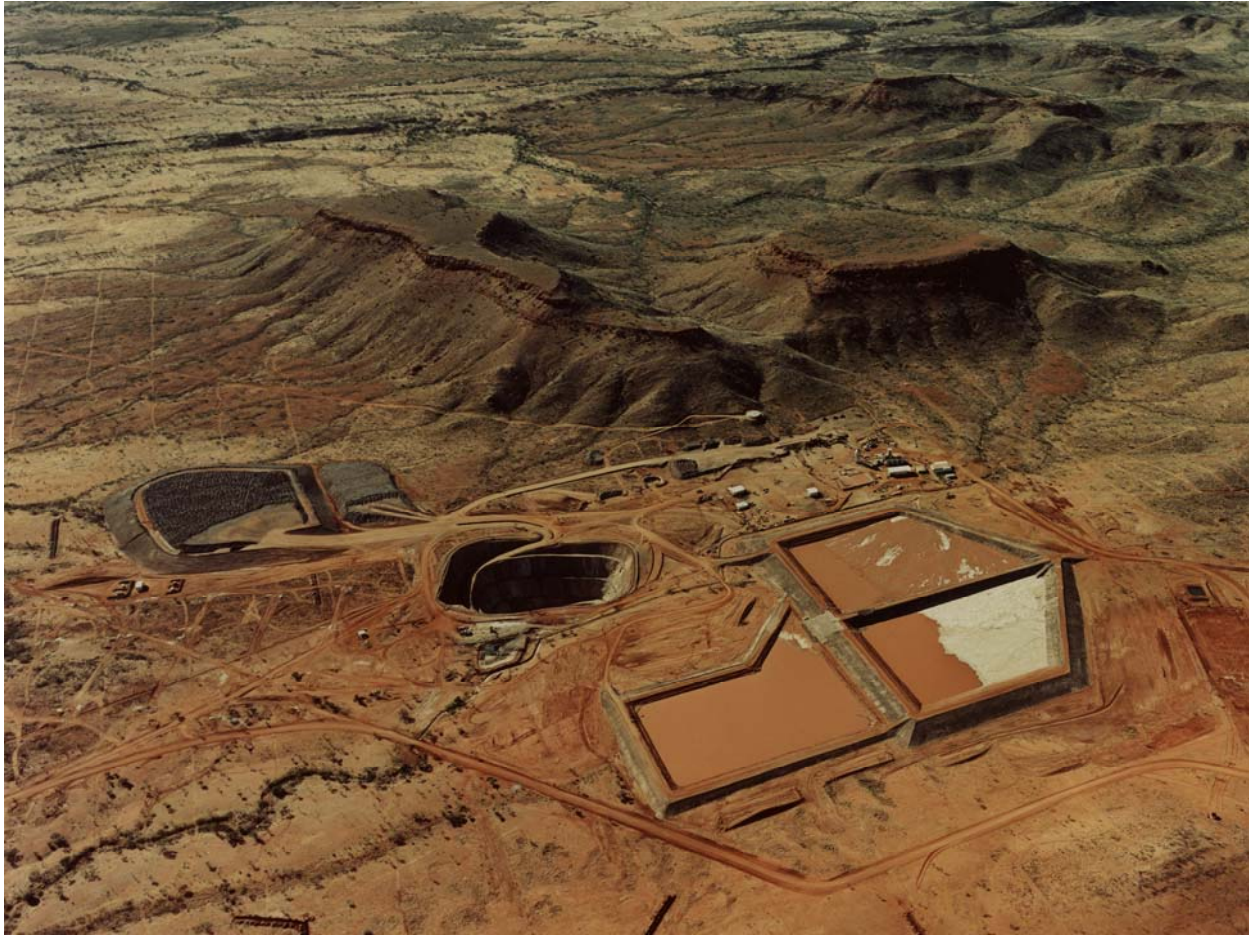
The agreement between DRX and Superior gives Superior the right to earn a 50% interest in the project by:

- Completion of \$750,000 of exploration including substantial drilling;
- Payment to DRX of \$100,000; and
- Lodgement of 50% of the government security bond on the tenements (\$150,000).

The Tick Hill Gold Deposit was mined (Photograph 3) between 1991 and 1995 by Carpentaria Gold Pty Ltd (a subsidiary of MIM Holdings Limited) for the production of 513,333 ounces of gold from 705,000 tonnes of ore at a recovered grade of 22.6 g/t gold (MIM Holdings Limited – Annual Reports). This makes it one of the highest grade gold deposits in Australia's recent gold producing history.

The prime purpose of the exploration program to be completed by Superior is to define a high-grade gold resource similar to that previously mined by Carpentaria Gold Pty Ltd. Superior has identified a fault near the bottom of the previously mined gold shoot with the possibility that the gold shoot may exist at depth in an offset position from the previously mined area. Superior will initially drill areas containing the possible offset extension of the mined shoot.

Additional exploration to be completed by Superior includes assessment of other potentially gold bearing areas within the mining leases, testing of the tailings from the previous mining to determine if these contain sufficient gold to warrant reprocessing, assessment of potential alluvial resources and investigation of the grade of the old mine dumps.



Photograph 3. Tick Hill Gold Mine circa 1993

CORPORATE AND FINANCIAL

In addition to cash of \$1.6 million at the end of the September 2011 quarter, Superior holds 7 million Deep Yellow Limited shares with a value of \$0.9 million at the ASX closing price of \$0.125 on Thursday, 20 October 2011. This makes total cash and liquid assets available for exploration of approximately \$2.5 million.

A handwritten signature in black ink that reads "K. J. Harvey".

Ken Harvey
Managing Director

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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.