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Superior - South32 JV

MINING

BY DEREK BARRY

MINER explorer Superior Resources announced Wednesday the signing of an earn-in and joint venture agreement with global miner South32.

The Superior-South32 joint venture is aimed at advancing exploration of Superior Resources 100%-owned Nicholson Project in north-west Queensland.

Nicholson is on the Queensland Northern Territory border immediately west of Aeon Metals's venture at Walford Creek in the Carpentaria Zinc Province, which contains around 20 percent of the world's zinc inventory.

The project will be called "Hedleys Joint Venture"

Under Stage 1 of Hedleys JV, South32, owners of Cannington Mine near McKinlay, must fully fund an initial \$2 million or 4000 metres of drilling within the first 12 months of operations, with

funding to begin immediately.

South32 may elect to proceed to Stage 2 by putting in another \$4 million on exploration within four years to earn 70% interest in the project.

Superior will be the JV operator during Stages 1 and 2 and its managing director, Peter Hwang said he was looking forward to advancing Nicholson.

"The initial exploration program is targeting up to three Tier 1 equivalent, drill-ready Mount Isa style lead-zinc-silver targets, which we believe could be similar in size to the McArthur River and Century deposits," Mr Hwang said.

"The earn-in and JV agreement with South32 is a significant milestone for Superior's lead-zinc strategy. It validates the potential of the project to host a world-class base metals deposit and ensures that we will be fully funded to complete the substantial drilling program within the first year of the JV."

The Nicholson Project is 250km south-east of the MacArthur River Mine and 110km north-north-west of the Century Mine. At least five large geophysical targets have been identified with only one target previously drilled.

Mr Hwang said drilling would begin after an Aboriginal cultural heritage survey in early June.



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Superior Resources and South32 have signed a JV to develop the Nicholson Project near Walford Creek.