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EXPLORATION UPDATE – WILLS PHOSPHATE PROSPECT

HIGHLIGHT

Scout drilling has intersected a thick phosphorite horizon of moderate-grade phosphate at shallow depth in the southern part of the Wills Phosphate Prospect.

All assay results from the recent drilling program on the Wills Phosphate Prospect (Figure 1) in the Dajarra Project have now been received and assessed.

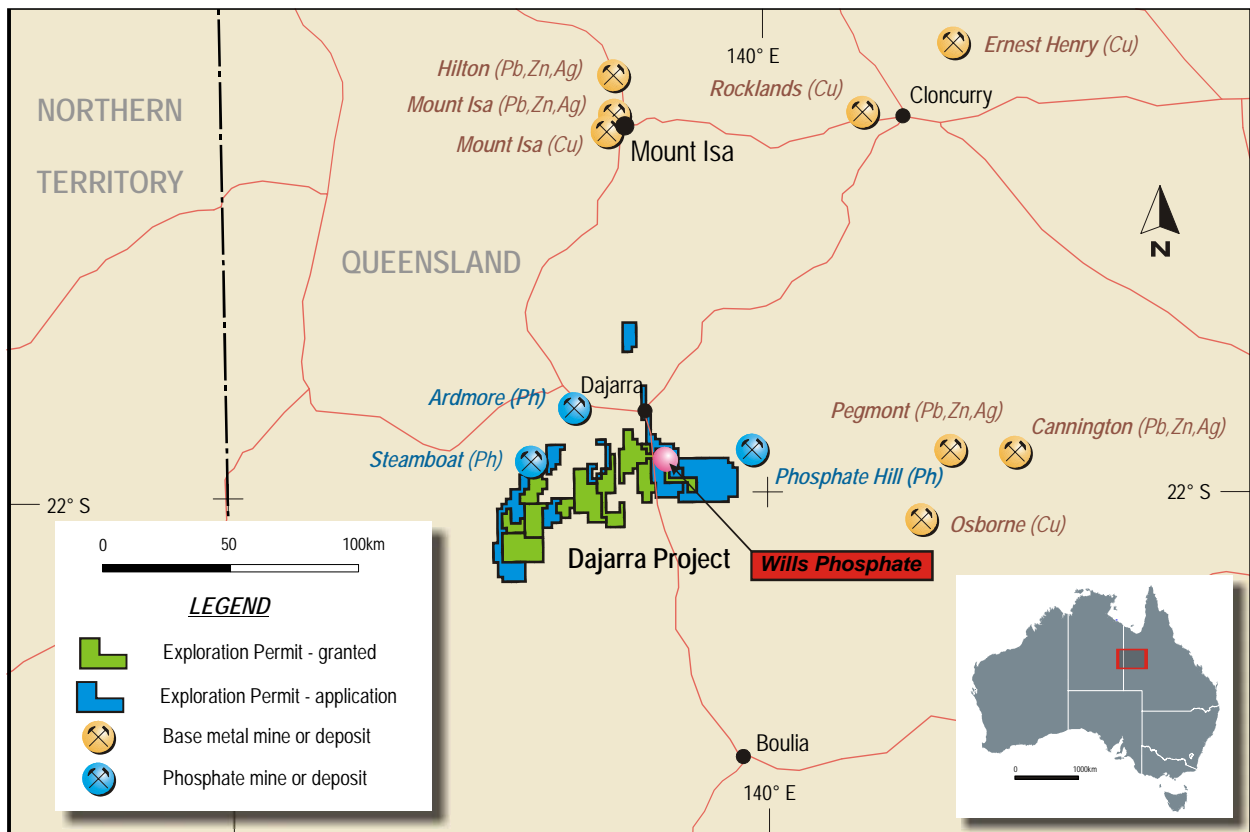


Figure 1. Wills Phosphate Prospect – Location.



A total of 22 drill holes were drilled in two areas in the program (Table 1).

Table 1. Wills Phosphate Prospect drill hole details.

Hole	Easting (MGA 54)	Northing (MGA 54)	Dip (°)	Depth (metres)
WC001	355457	7581539	-90	18
WC002	355515	7581361	-90	12
WC003	355559	7581158	-90	15
WC004	355639	7581141	-90	21
WC005	355747	7581175	-90	25
WC006	355725	7581272	-90	25
WC007	355912	7581329	-90	26
WC008	355811	7581419	-90	19
WC009	356013	7581310	-90	27
WC010	356002	7581437	-90	18
WC011	356091	7581252	-90	21
WC012	356179	7581364	-90	27
WC013	356276	7581399	-90	18
WC014	356348	7581406	-90	21
WC015	356406	7581519	-90	28
WC016	356346	7581614	-90	20
WC017	356263	7581549	-90	21
WCS001	358080	7573048	-90	17
WCS002	358978	7572912	-90	22
WCS003	359565	7572226	-90	27
WCS004	360003	7572228	-90	14
WCS005	357753	7573010	-90	3

Seventeen of the drill holes targeted a Cambrian phosphorite horizon capping a mesa to the east of the Dajarra to Boulia Road which, from previous surface rock-chip sampling, had returned assays between 1.7% and 18.3% P₂O₅. The exposed material which had been subjected to surface sampling was leached and brecciated and the drilling was designed to test for better grade material beneath the cap of the mesa.

The drilling in this area indicated that the leaching evident in outcrop extended beneath the mesa and, while phosphate occurred in most of the holes, no high grade phosphate was intersected. The best intersection from the drilling was in hole WC005 with an intersection of 7m @ 6.74% P₂O₅ from 3m. This area is now considered to be adequately tested.

The remaining five drill holes were scout holes which targeted a soil covered area of poorly outcropping Cambrian sediments some 9km south of the mesa to determine if this southern area contained a prospective Cambrian phosphorite horizon. Of the five holes drilled in this area, hole WCS003 intersected moderate-grade phosphorite averaging 8.8% P₂O₅ over 13 metres from a depth of 8m. This broad intersection contained a 10m section from 8m averaging 10.3% P₂O₅.

Of the other four widely-spaced scout holes in the southern area, one intersected Proterozoic basement and three intersected Cambrian sediments. None of these latter three holes into Cambrian sediments intersected significant phosphate. However these holes were all shallow and phosphate may have been intersected if the holes had been drilled to greater depths.

Given that hole WCS003 was a scout hole in a soil covered area, the broad intersection of moderate grade phosphate is an encouraging result. While higher phosphate grades would be required for a resource there is apparently scope for this in the larger interpreted fault block of prospective Cambrian sediments in this area.



The interpreted block of Cambrian sediments in this southern area lies both within a granted exploration permit and an application for an exploration permit held by Superior. It is uncertain when the exploration permit application will be granted and therefore it is unclear at this stage when a more comprehensive program of mapping and drilling can be completed on this prospective area.

A handwritten signature in black ink, appearing to read 'K. Harvey'.

Ken Harvey
Managing Director

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Further Information: www.superiorresources.com.au

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.