Superior Resources Limited

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DRILLING COMMENCES AT THE ELIZABETH PROSPECT

The Directors of Superior Resources Limited advise that a drilling rig has arrived on site and drilling of the high-priority electromagnetic (EM) anomaly at the Elizabeth Prospect is expected to commence today. The large EM anomaly at Elizabeth is interpreted to be a possible buried Mount Isa type deposit.

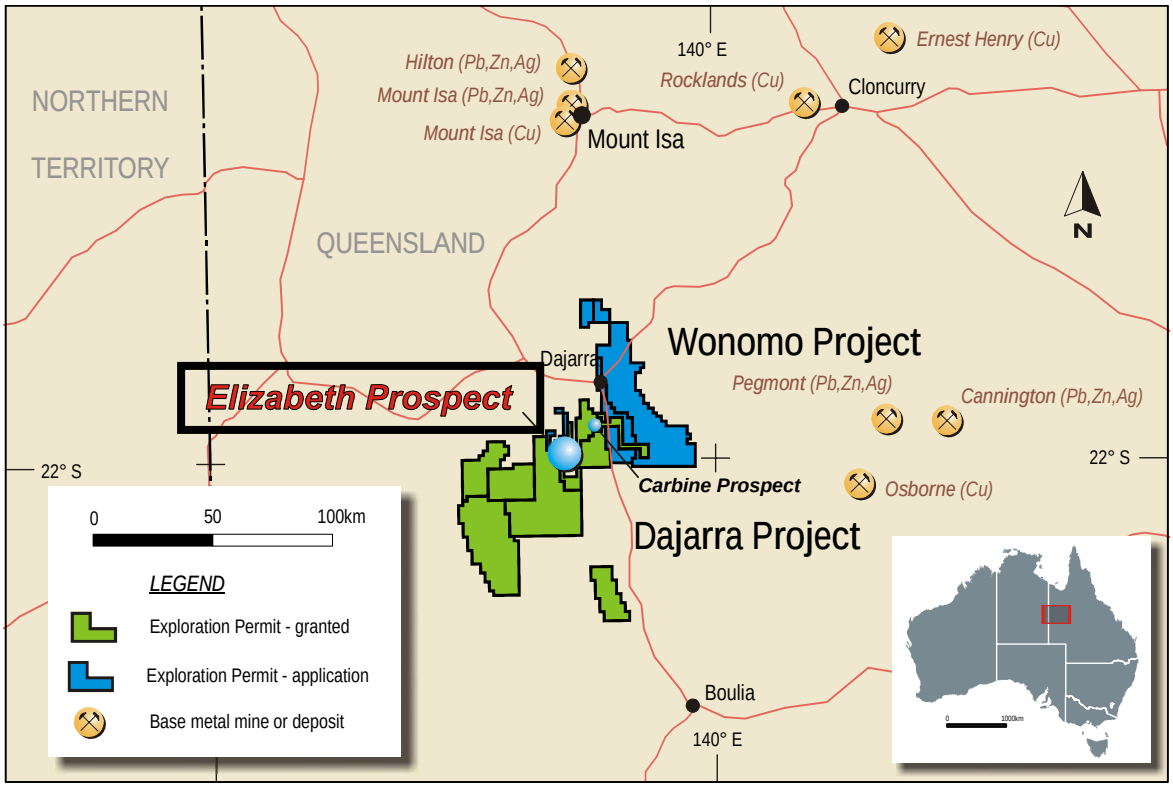


Figure 1. Superior resources Limited – Dajarra Project and Elizabeth Prospect locations

The high-priority EM anomaly at the Elizabeth Prospect was originally outlined by a 500m spaced heliborne Versatile Time-Domain Electromagnetic (VTEM) survey completed by Geotech Airborne Pty Ltd in August 2007. A subsequent VTEM survey completed on 2 December 2007 closed the survey spacing to 100m and provided more detailed information on the EM anomaly.

The Elizabeth Prospect lies on the edge of the covered area at the southern end of the Mount Isa Inlier. The prospect area is largely covered by soil derived from Cambrian sandstone cover. Some small outcrops of Proterozoic ferruginous siltstone however do occur in the prospect area. These are similar to the host rocks at Mount Isa and the prospect appears to lie within prospective Mount Isa Group sediment equivalents.

The VTEM surveys show a pronounced EM anomaly at Elizabeth which extends for approximately 4.5 km with the best portion of the anomaly occurring in the northern 2.5 km section of the area. Modelling of the anomaly indicates that the conductive source lies below a depth of 150m and that it is shallow dipping both to the east and to the west. The source apparently deepens to the south as the thickness of the Cambrian cover increases.

Two shallow vertical RC drill holes (EZ001 and EZ002) were previously drilled by SPQ into the Elizabeth Prospect in December 2007. Both holes failed to reach the depth necessary to intersect the source of the EM anomaly. These holes intersected fine-grained sediments which were largely cleaved siltstones similar to the sediments which host the Mount Isa base metal deposits. Some graphite was present but this was considered insufficient to explain the EM anomaly. Fresh disseminated sulphides (pyrite) occurred below the oxidized zone at about 120m depth. Assay results for the drilling did not show anything of interest.

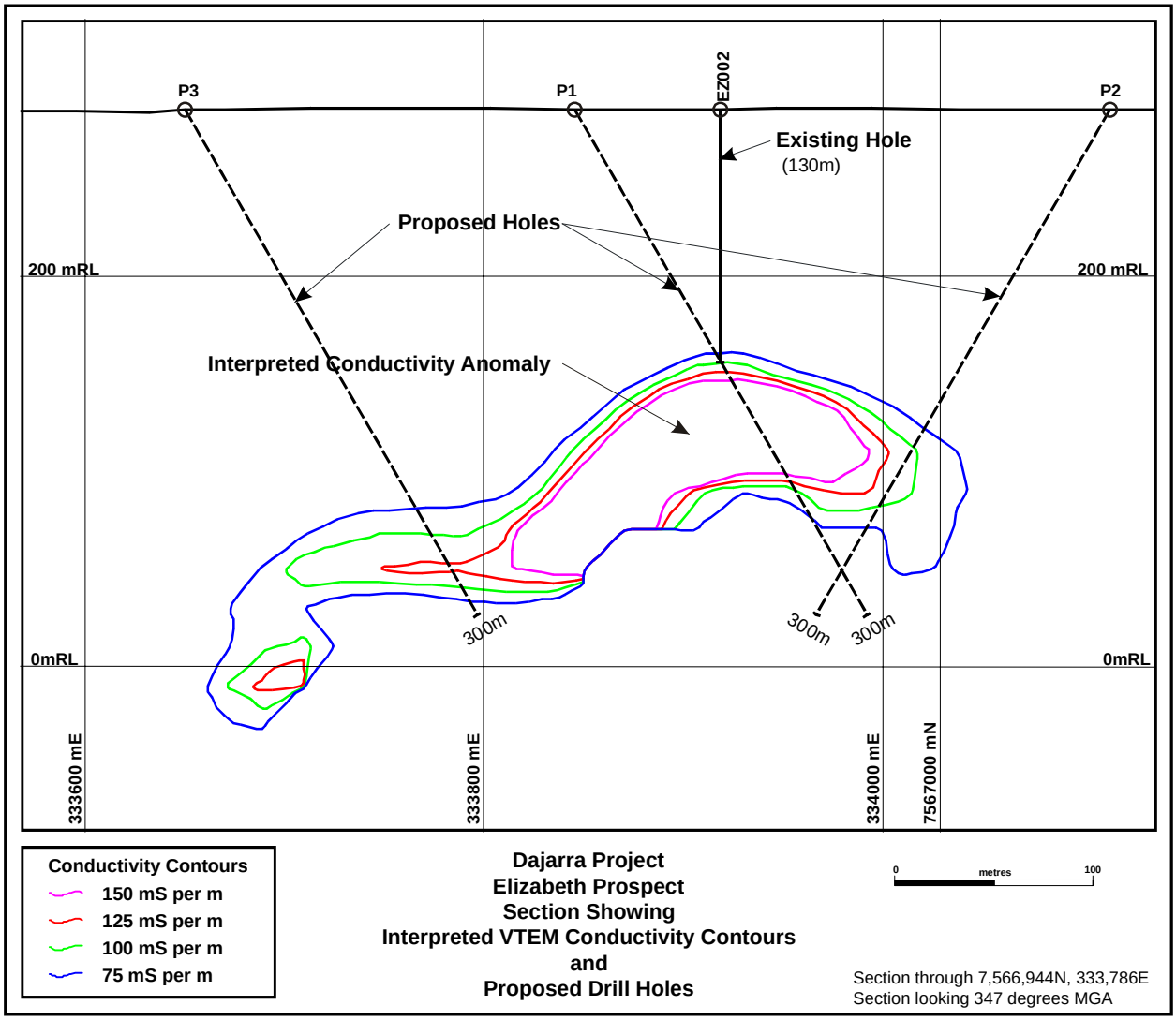


Figure 2. Elizabeth Prospect – Section through hole EZ002 and proposed drill holes P1, P2 and P3 showing the modelled conductivity anomaly from the preliminary detailed VTEM data.

The drilling rig being used in the current drilling is capable of drilling reverse circulation (RC) to a depth of more than 300m and therefore it should provide information on the conductive source of the EM anomaly and particularly whether it is related to base metal mineralisation or to a lithological source such as graphitic siltstone.

The weather in the Dajarra area has been quite dry and this should allow the drilling to be undertaken during a time when the area would normally be inaccessible due to the wet season. If rain occurs during the drilling program it will be necessary to suspend the drilling until the area dries out.

The planned program is for six drill holes for a total of approximately 1800m of drilling. Under normal operating conditions drilling should be completed in approximately two weeks.

About Superior Resources Limited

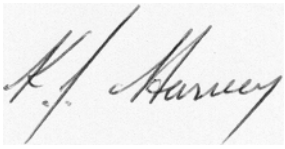
Superior Resources limited (SPQ) is exploring for large copper and lead-zinc-silver deposits of the Mount Isa style in north-west Queensland, Australia. Uranium is a secondary target. SPQ currently holds a total of 17 exploration permits and exploration permit applications. It has an active exploration program on these project areas in north-west Queensland.

SPQ has a very strong focus on north-west Queensland with most activity directed to the discovery of major base metal deposits of the Mount Isa style.

SPQ utilises advanced exploration methods in its search (particularly geophysics) with modern computer modelling of results to produce targets for further testing. In 2007 SPQ used the heliborne Versatile Time-Domain Electromagnetic (VTEM) system operated by Geotech Airborne Pty Ltd (www.geotechairborne.com) on three project areas with a total of approximately 2000 km flown in 2007. Assessment of the results from this work will continue into 2008.

Drilling is an important part of SPQ's exploration programs and drill testing of targets is seen as an essential part of the exploration process.

SPQ utilises experienced discovery oriented explorers in its exploration as these offer the best chance for discovery of a major resource.



Ken Harvey
Managing Director

Further Information:

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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.