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Greenvale Project - Riesling and Burgundy Prospects Exploration Permit 19247 "Cassidy Creek" Commencement of Field Exploration

Superior Resources Limited (ASX Code: SPQ) (Superior) is pleased to announce the commencement of field exploration on the Riesling and Burgundy prospects in the Cassidy Creek Exploration Permit (EPM19247) located 280km northwest of Townsville in northeast Queensland (Figure 1).

Key Points

- Cassidy Creek EPM (part of Greenvale Project) granted on 28 May 2013
- Soil sampling program commenced today
- Zone of interest containing narrow gossan lenses – 6km long x 100m wide
- Initial ground reconnaissance indicates possible volcanogenic massive sulphide (VMS) style of mineralisation
- Rock chip samples from prior exploration contain anomalous lead and copper values up to 24% lead and 0.9% copper
- Good potential for the discovery of a significant deposit

EPM19247 "Cassidy Creek" was granted on 28 May 2013 and compilation of historical exploration data in digital form commenced shortly thereafter.

Most of the previous exploration in the area has been carried out by CRA Exploration (EPM3973) who completed detailed geological mapping, rock chip sampling, an extensive ground electromagnetic (EM) survey and the drilling of five relatively shallow percussion drill (PD) holes at the Riesling Prospect. A further EM survey was completed by BHP Minerals (EPM5556) with the drilling of four percussion drill holes at the Burgundy Prospect. More recently Teck Cominco Australia (EPM13602 & EPM13603) completed mapping and geochemistry at the Chablis Prospect.

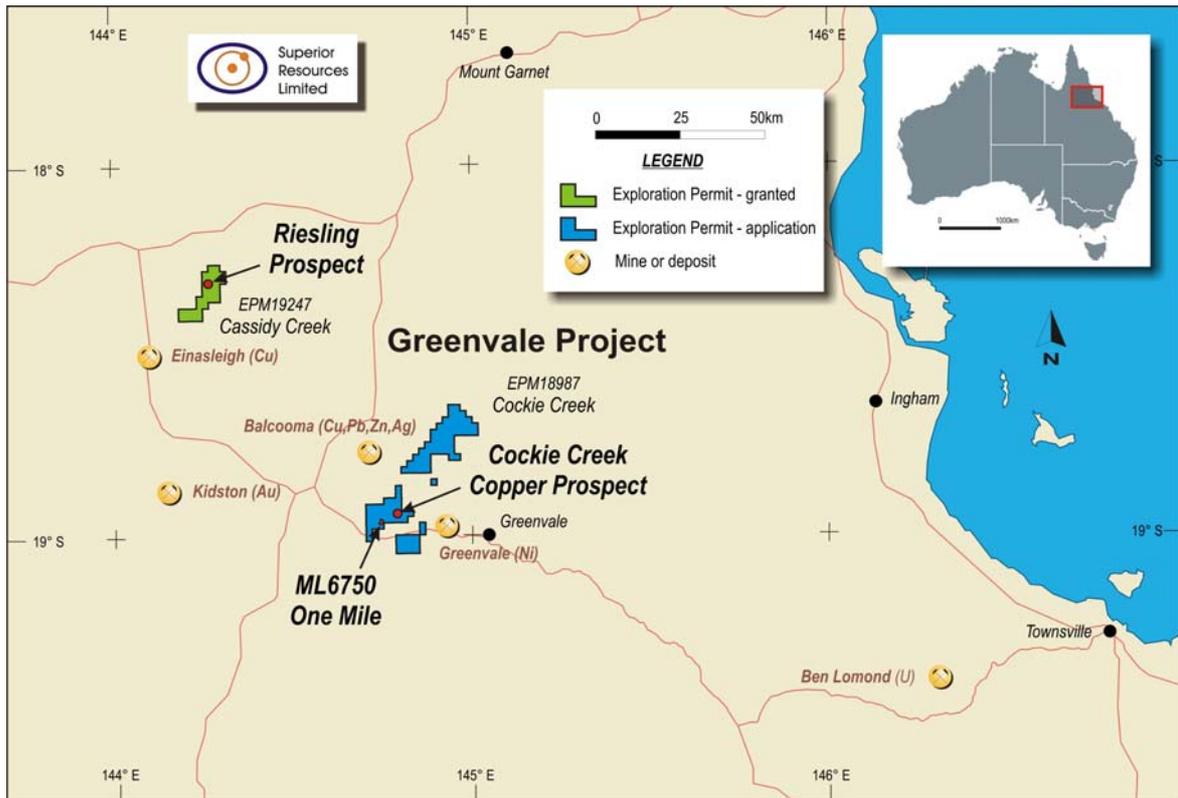


Figure 1: Cassidy Creek and Riesling Prospect location plan.

Interpretation of the compiled data and a recent field trip to the area indicates that the area has good potential for discovery of a significant deposit. The soil sampling program currently in progress is designed to quickly zero in on the most prospective parts of the area.

The principal area of interest within EPM19247 is a 100m wide, 6km long zone of ferruginous gahnite quartzite and schist (Photo 1) containing narrow lenses of gossan. Gahnite is a zinc bearing spinel mineral ($ZnAl_2O_4$) which commonly occurs associated with metamorphosed deposits containing zinc and lead (eg Broken Hill and Balcooma). The 6km long zone is separated into the Burgundy, Riesling and Chablis prospects by soil covered areas. Outcrop in the area is generally poor.

The mineralisation style appears to be of the volcanogenic massive sulphide (VMS) type although there are some similarities to the Broken Hill type (BHT). The bulk of the 100m wide ferruginous zone appears to be intense pyritic footwall alteration which is characteristic of many VMS deposits. In one creek exposure towards the northern end of the Riesling Prospect, a cordierite spotted rock (Photo 2) within the alteration zone is similar to 'damatianite' which lies within the footwall of some VMS deposits in the Noranda district in Canada. Most of the gossan lies on or close to the western side of the alteration zone and this appears to be the hanging wall position where the massive sulphides occur.



Photo 1. Riesling Prospect – Folded gahnite ($ZnAl_2O_4$) bearing quartzite and schist in the interpreted footwall to the gossan – 211,202E; 7,972,602N.



Photo 2. Riesling Prospect – Folded cordierite spotted schist ('dalmatianite') in the interpreted footwall to the gossan – 211,425E; 7,973,147N.



Rock chip samples of the ferruginous gahnite quartzite and schists and gossans by CRA Exploration showed a number of samples with lead values in excess of 1% and with a peak result of 24.3% lead. As might be expected zinc values in rock chip samples along the ferruginous gahnite bearing zone are also anomalous. Copper values in the ferruginous zone are also anomalous in some areas with values above 0.1% common and a peak value of 0.88% copper. The peak valued recorded for silver was 112g/t. Limited rock chip sampling by SPQ on the recent field trip confirmed the strongly anomalous values with peak values of 29.7% Pb (Photos 3 and 4), 0.4% Zn, 0.53% Cu and 105g/t Ag.

None of the holes drilled by CRA Exploration or BHP intersected massive sulphide mineralisation with the best intersections being 4m @ 1.3% Zn in CRAE hole PD85RG1 and 24m @ 0.31% Zn in CRAE hole PD85RG3. This mineralisation appears to be within the footwall alteration zone.

The prospects offer significant potential along the 6km zone for discovery of massive sulphides. SPQ has a particular interest in strongly anomalous copper values to 0.47% Cu in rock chip samples of the ferruginous alteration zone at about 211,310E; 7,972,740N. These results are associated with a local magnetic anomaly. This area has not been drilled. The soil sampling currently in progress should outline the extent of this copper anomaly.



Photo 3. Riesling Prospect – High grade lead gossan (29.7% Pb, 44g/t Ag) containing currusite ($PbCO_3$) after massive sulphides – 211,177E; 7,972,633N.



Photo 4. Riesling Prospect – High grade lead gossan containing yellow plumbojarosite ($PbFe_6(SO_4)_4(OH)_{12}$) and currusite ($PbCO_3$) after massive sulphides – 211,177E; 7,972,633N.

A handwritten signature in black ink, reading "K. Harvey".

Ken Harvey
Exploration Director

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The information in this report that relates to Mineral Resources and Exploration Results is based on information compiled by Mr Ken Harvey, a full-time employee and shareholder of Superior Resources Limited, 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.