



Superior Resources Limited

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CHAIRMANS ADDRESS ANNUAL GENERAL MEETING 19 NOVEMBER 2008

I do not propose to make a detailed presentation on the exploration completed during the last year. The Managing Director will be available after the meeting to make a short presentation on the Walford South and Elizabeth Diamond prospects after the close of the meeting. All information on these prospects has previously been released to the ASX.

The 2007/2008 year has been an interesting one with the following significant events occurring:

- Commencement of the 2007/2008 year with considerable funds following a very successful year in 2006/2007.
- Payment of a fully franked dividend of 7.5c per share early in the 2007/2008 year.
- An aggressive exploration program which commenced with the flying of a major 2000km VTEM survey over parts of three project areas in July 2007.
- The floating on Superior on the ASX on 12 November 2008 following a successful IPO which raised additional net funds of approximately \$4 million.
- Drilling programs on the Buckingham, Rundle, Elizabeth, RFZ, Flora and Myally prospect areas.

Superior remains in good shape despite the world's financial crisis with current cash of \$4.7 million and additional liquid assets of approximately \$1 million for a total of about \$5.7 million available for exploration.

Exploration during and since the 2007/2008 year has placed Superior in a favourable position for the remainder of the 2008/2009 year with advanced copper-lead-zinc prospects at the Walford South and Elizabeth prospects. Drilling is planned for both of these after the wet season in 2009.

The recent discovery of a potential diamond target at Elizabeth is also good news and following computer modelling and other work that is currently in progress, drilling of this area will be completed after the wet season of 2009.

Superior will continue to focus on the discovery of a large deposit of copper-lead-zinc in northwest Queensland with other commodities such as uranium and phosphate taking a back seat. The focus on large high-grade deposits of copper-lead-zinc is necessary to ensure that any operation can operate profitably through the metal price cycles. Small or low-grade deposits are not attractive targets.



Next year offers the possibility of exploration services, particularly drilling services, being more readily available than in the past and exploration should proceed more efficiently in 2009.

A major decision may need to be made in the coming year if the potential diamond target at Elizabeth comes to fruition. Superior may have sufficient funds to prove up the Elizabeth target but it does not have the necessary funds available to undertake a major diamond program over its extensive ground holdings around Dajarra. Just how such a program might be funded, with the best interests of shareholders in mind, is currently being considered by the board. We will keep you informed of any decisions made in this regard.

Superior's share price, as you are no doubt aware, has suffered along with almost all companies in the current severe market downturn. The remedy to this is to maintain an active exploration program on high-quality prospects. A discovery is probably the only thing that will lift the share price and it is, as it should be, the main focus of the board.

Lawrie Litzow