

# Prospectus

**Superior Resources Limited**

**ACN 112 844 407**

For a non-renounceable pro rata offer to Eligible Shareholders of approximately 248 million New Shares at an issue price of \$0.003 per New Share on the basis of 1 New Share for every 3 Existing Shares held, together with 1 free attaching Option for every 3 New Shares issued, to raise up to approximately \$745,000 before issue costs.

**ASX Code: SPQ**

This Prospectus also allows Shares issued prior and under the Placement announced on 20 May 2020 to be offered for sale without disclosure.

This Prospectus provides important information about the Company. You should read the entire document including the Entitlement and Acceptance Form. If you have any questions about the New Shares being offered under this Prospectus, or any other matter relating to an investment in the Company, you should consult your professional adviser. An investment in the New Shares offered under this Prospectus is highly speculative.

This Prospectus is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the US and the District of Columbia). This Prospectus is not an offer of securities for sale into the United States or to, or for the account or benefit of, US Persons. The securities referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons. No public offering of securities is being made in the United States.

### **Important Notice**

This Prospectus is dated 20 May 2020 and was lodged with ASIC on that date. Application will be made to ASX for quotation of the New Shares offered under this Prospectus within 7 days of this date.

Neither ASIC, ASX nor any of their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates. No securities will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

### **Nature of this Prospectus**

The New Shares which will be issued pursuant to this Prospectus are in the same class of Shares that have been quoted on the official list of the ASX during the 12 months prior to the issue of this Prospectus.

This Prospectus is a 'transaction specific prospectus' to which the special content rules under section 713 of the Corporations Act apply. That provision allows the issue of a more concise prospectus in relation to an offer of securities in a class which has been continuously quoted by ASX in the 3 months prior to the date of the prospectus. In general terms 'transaction specific prospectuses' are only required to contain information in relation to the effect of the issue of New Shares on the Company and the rights attaching to the New Shares. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus contains information only to the extent to which it is reasonable for investors and their professional advisers to expect to find the information in it. It does not include all of the information that would be included in a prospectus for an initial public offer.

### **Prospectus availability**

Eligible Shareholders can obtain a copy of this Prospectus during the Offer period on the Company's website at [www.superiorresources.com.au](http://www.superiorresources.com.au) or by contacting the Company. If you access an electronic copy of this Prospectus, you should ensure that you download and read the entire Prospectus.

The electronic copy of this Prospectus available from the Company's website will not include a personalised Entitlement and Acceptance Form. Eligible Shareholders will only be able to accept the Offer by completing the personalised Entitlement and Acceptance Form which accompanies this Prospectus or by making payment using BPAY® (refer to section 7.5 of this Prospectus for further information).

### **Foreign jurisdictions**

The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are residents in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed. This Prospectus does not constitute an offer in any place in which, or to any person to whom, it should not be lawful to make such an offer.

### **Disclaimer of representations**

No person is authorised to provide any information or make any representation in connection with the Offer which is not contained in this Prospectus.

### **Forward looking statements**

This Prospectus contains forward looking statements that, despite being based on the Company's current expectations about future events, are subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of the Company and the Directors. These known and unknown risks, uncertainties and assumptions, could cause actual results, performance or achievements to materially differ from future results, performance or achievements expressed or implied by forward-looking statements in this Prospectus. These risks, uncertainties and assumptions include, but are not limited to, the risks outlined in section 6 of this Prospectus. Forward-looking statements include those containing such words as 'anticipate', 'estimate', 'believe', 'should', 'will', 'may' and similar expressions.

### **Privacy**

Please read the privacy information located in section 8.14 of this Prospectus. By submitting an Entitlement and Acceptance Form, you consent to the matters outlined in that section.

### **Definitions**

Certain terms and abbreviations used in this Prospectus have defined meanings which are explained in the Glossary.

### **Enquiries**

If you have any questions please call the Superior Resources Limited Offer Information Line on + 61 1300 730 659 at any time between 8.30am and 5.30pm (AEST) Monday to Friday until the Closing Date. Alternatively, consult your broker, accountant or other professional adviser.

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## Corporate Directory

### Directors

|                     |                    |
|---------------------|--------------------|
| Mr Carlos Fernicola | Non Exec Chairman  |
| Mr Peter Hwang      | Managing Director  |
| Mr Simon Pooley     | Non Exec. Director |

### Company Secretary

Mr Carlos Fernicola

### Website

[www.superiorresources.com.au](http://www.superiorresources.com.au)

### Registered Office

Unit 8, 61 Holdsworth Street  
Coorparoo, Queensland 4151  
Tel: +61 7 3847 2887  
Email: [manager@superiorresources.com.au](mailto:manager@superiorresources.com.au)

### Share Registry\*

Link Market Services Limited  
Level 21, 10 Eagle Street  
BRISBANE QLD 4000  
Tel: +61 1300 554 474

### Auditor\*

PKF Brisbane Audit  
Level 6, 10 Eagle Street  
BRISBANE QLD 4000

### Solicitor to the Offer

Atkinson Corporate Lawyers

\*This party is named for informational purposes only and was not involved in the preparation of this Prospectus.

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## 1 TIMETABLE TO THE OFFER

|   |                   |
|---|-------------------|
| Ex date - Shares trade ex Entitlement ( <b>Ex Date</b> )    | 25 May 2020       |
| Record date to determine Entitlement ( <b>Record Date</b> ) | 26 May 2020       |
| Prospectus with Entitlement and Acceptance Form dispatched  | 29 May 2020       |
| Offer opens for receipt of Applications                     |                   |
| Closing date for acceptances                                | 18 June 2020      |
| Notify ASX of under-subscriptions                           | 23 June 2020      |
| Issue of New Shares   | 25 June 2020      |
| Normal trading of New Shares expected to commence           | 26 June 2020      |
| Dispatch of shareholding statements                         | 29 June 2020      |
| Last date to issue Shortfall Shares (see section 8.5)       | 18 September 2020 |

**Note:** The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date, subject to such date being no later than 3 months after the date of this Prospectus. As such the date the New Shares are expected to commence trading on ASX may vary.

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## 2 KEY OFFER TERMS AND CAPITAL STRUCTURE

|  | Full Subscription |
|--|-------------------|
| Shares currently on issue <sup>1</sup>   | 745,418,740       |
| New Shares offered under this Prospectus, on a 1 for 3 basis   | 248,472,913       |
| Options offered under this Prospectus, on the basis of 1 Option for every 3 New Shares issued <sup>2</sup> | 82,824,304        |
| Issue price per New Share  | \$0.003           |
| Amount raised under this Prospectus (before costs) <sup>1</sup>  | \$745,419         |
| Total Shares on issue following the Offer and Placement <sup>3</sup>                                       | 1,138,791,653     |

1 This assumes no further Shares are issued prior to the Record Date.

2 The Company has also agreed to, subject to Shareholder approval, issue 48.3 million New Options under the Placement and 15 million New Options to brokers in conjunction with the Placement.

3 This includes 144,900,000 Shares to be issued under the Placement.

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### 3 CHAIRMAN'S LETTER

Dear Shareholder,

On 20 May 2020 the Company announced a capital raising comprising a two-tranche placement (**Placement**) and a non-renounceable rights issue (**Offer**) to raise together up to approximately \$1.18 million (before costs) through the issue of Shares for \$0.003, with 1 New Option (\$0.003, expiring 31 December 2021) for every 3 Shares issued. Funds will be used primarily for exploration, including completing a Scoping Study at its Steam Engine Gold Deposit, and for working capital.

The capital raising follows the positive market response to the recent upgrade of Steam Engine's gold resource (refer ASX announcement 4 May 2020) and strong investor support for the fully subscribed placement, amid record high Australian dollar gold prices.

Tranche 1 of the Placement is for 111,812,810 Shares (\$335,438.43) and is made using the Company's 15% capacity. Tranche 1 is expected to complete on 27 May 2020. The remaining 33,087,190 Shares (\$99,261.57) and 48,300,000 New Options will be issued subject to Shareholder approval to be sought at a meeting in late June 2020.

We have been very pleased with the level of support and strong demand received during the placement. This has given us confidence that we will be sufficiently funded to complete a Scoping Study on the Steam Engine Gold Deposit and establish a maiden high grade copper resource at Wyandotte.

Given the forecasts for sustained high gold prices, a near-term development focus at Steam Engine, potentially supplemented by Wyandotte, is an ideal strategy to realise and retain the substantial value potential presented by our Tier-1 projects.

In addition to Steam Engine and Wyandotte, we are planning a low-cost maiden exploration program at the high-impact Big Mag sulphide nickel-copper target, which at about 80 square kilometres in size represents enormous potential.

These are exciting times for Superior and I would like to thank shareholders for their support as we look ahead to reaching new milestones in 2020 and increasing shareholder value.

There are risks in investing in the Company, including that the Company's projects are early stage exploration projects which carry significant exploration risk, the risk that the Company may raise less than full subscription under the Offer, and ongoing requirements for additional funding. See section 6 for details.

Directors will be participating in the Offer.

I recommend the Offer to you.

Carlos Fernicola  
Chairman  
Superior Resources Limited

## 4 INVESTMENT OVERVIEW AND KEY RISKS

This information is a selective overview only. Prospective investors should read the Prospectus in full before deciding to invest in New Shares.

| Question   | Response  | Where to find more information |                   |                           |           |                           |           |                  |           |                 |           |                    |          |               |                    |             |
|--|---|--------------------------------|-------------------|---------------------------|-----------|---------------------------|-----------|------------------|-----------|-----------------|-----------|--------------------|----------|---------------|--------------------|-------------|
| <b>What is the Offer?</b>                          | <p>1 New Share for every 3 Existing Shares held on the Record Date at an issue price of \$0.003, with 1 attaching New Option for every 3 New Shares issued.</p> <p>The Offer seeks to issue up to approximately 248,472,913 New Shares and 82,824,304 New Options to raise up to approximately \$745,000 (before costs) if fully subscribed. Up to a further \$500,000 may be raised if all New Options are exercised.</p>  | Section 8                      |                   |                           |           |                           |           |                  |           |                 |           |                    |          |               |                    |             |
| <b>Am I an Eligible Shareholder?</b>               | <p>The Offer is made to Eligible Shareholders, being Shareholders who:</p> <p>(a) are the registered holder of Shares as at 5.00pm (AEST) on the Record Date; and</p> <p>(b) have a registered address in Australia or New Zealand.</p> <p>Shareholders who are not eligible to participate in the Offer may not participate in the Offer.</p>  | Section 8.5                    |                   |                           |           |                           |           |                  |           |                 |           |                    |          |               |                    |             |
| <b>How will the proceeds of the Offer be used?</b> | <p>The Company will use funds raised under the Offer (together with existing cash on hand and funds raised under the Placement) as follows:</p> <table border="1"> <thead> <tr> <th>Use of funds</th> <th>Full Subscription</th> </tr> </thead> <tbody> <tr> <td>Steam Engine Gold Deposit</td> <td>\$700,000</td> </tr> <tr> <td>Wyandotte Copper Prospect</td> <td>\$150,000</td> </tr> <tr> <td>Big Mag Prospect</td> <td>\$150,000</td> </tr> <tr> <td>Working Capital</td> <td>\$350,000</td> </tr> <tr> <td>Costs of the Offer</td> <td>\$80,000</td> </tr> <tr> <td><b>Total*</b></td> <td><b>\$1,430,000</b></td> </tr> </tbody> </table> | Use of funds                   | Full Subscription | Steam Engine Gold Deposit | \$700,000 | Wyandotte Copper Prospect | \$150,000 | Big Mag Prospect | \$150,000 | Working Capital | \$350,000 | Costs of the Offer | \$80,000 | <b>Total*</b> | <b>\$1,430,000</b> | Section 5.2 |
| Use of funds                                       | Full Subscription   |                                |                   |                           |           |                           |           |                  |           |                 |           |                    |          |               |                    |             |
| Steam Engine Gold Deposit                          | \$700,000   |                                |                   |                           |           |                           |           |                  |           |                 |           |                    |          |               |                    |             |
| Wyandotte Copper Prospect                          | \$150,000   |                                |                   |                           |           |                           |           |                  |           |                 |           |                    |          |               |                    |             |
| Big Mag Prospect                                   | \$150,000   |                                |                   |                           |           |                           |           |                  |           |                 |           |                    |          |               |                    |             |
| Working Capital                                    | \$350,000   |                                |                   |                           |           |                           |           |                  |           |                 |           |                    |          |               |                    |             |
| Costs of the Offer                                 | \$80,000  |                                |                   |                           |           |                           |           |                  |           |                 |           |                    |          |               |                    |             |
| <b>Total*</b>                                      | <b>\$1,430,000</b>  |                                |                   |                           |           |                           |           |                  |           |                 |           |                    |          |               |                    |             |
| <b>What is the Placement</b>                       | <p>The Company has received firm commitments for the issue of 144,900,000 Shares (with 1 New Option for every Share issued) to raise \$434,700. The Placement is under</p>  |                                |                   |                           |           |                           |           |                  |           |                 |           |                    |          |               |                    |             |

| Question  | Response  | Where to find more information |
|---|---|--------------------------------|
|   | <p>two tranches, with the first tranche of 111,812,810 Shares expected to complete on 27 May 2020 and the second tranche of 33,087,190 Shares and 48,300,000 New Options subject to Shareholder approval to be sought at a meeting to be held in late June 2020.</p>  |                                |
| <p><b>What are the key risks of a subscription under the Offer?</b></p> | <p>An investment in the Company has risks that you should consider before making a decision to invest. These risks include:</p> <ul style="list-style-type: none"> <li>• The Company’s projects are early stage exploration projects, which carry significant exploration risk.</li> <li>• The Company has announced Mineral Resource Estimates in respect of its and Steam Engine Gold Deposit (reported in compliance with the JORC Code 2012) and Cockie Creek Prospect (reported in compliance with the JORC Code 2004).</li> </ul> <p>These are expressions of judgement based on knowledge, experience and industry practice (refer to the JORC Code for further information on resource estimation). Estimates that were valid when originally made may alter significantly when additional information obtained from further resource drilling and modelling becomes available.</p> <ul style="list-style-type: none"> <li>• The Offer is not subject to a minimum subscription, and there is a risk that the Company may raise less than Full Subscription.</li> <li>• Future capital needs and additional funding - The Company recorded a net loss of \$411,064 and a net outflow from operating activities of \$233,792 for the half year ending 31 December 2019. As at 31 March 2020, it had approximately \$51,000 cash on hand.</li> <li>• The Company’s ability to raise further capital (equity or debt) within an acceptable time, of a sufficient amount and on terms acceptable to the Company will vary according to a number of factors, including prospectively and commercialisation of projects (existing and future).</li> </ul> <p>Please carefully consider these risks and the information contained in other sections of this Prospectus before deciding whether or not to apply for New Shares.</p> | <p>Section 6</p>               |

| <b>Question</b>  | <b>Response</b>  | <b>Where to find more information</b> |
|--|--|---------------------------------------|
| <b>Is the Offer subject to a minimum subscription?</b>                     | No.  | Section 8.2                           |
| <b>What will be the effect of the Offer on control of the Company?</b>     | The effect of the Offer on control of the Company will vary with the level of Entitlements taken up by Eligible Shareholders and the number of Shortfall Shares placed in the Shortfall Offer.<br><br>No Shareholder may increase their voting power above 20% as a result of the Offer.                               | Section 5.5                           |
| <b>How do I apply for New Shares and Shortfall Shares under the Offer?</b> | Applications for New Shares and Shortfall Shares can be made by Eligible Shareholders completing the relevant sections of the personalised Entitlement and Acceptance Form and sending it to the Share Registry together with payment by cheque or BPAY in the amount of Entitlement and Shortfall Shares applied for. | Section 7.2                           |
| <b>Can I sell my Entitlements under the Offer?</b>                         | No, the Offer is non-renounceable and Entitlement cannot be transferred.   | Section 7.1                           |
| <b>How will the Shortfall Shares be allocated?</b>                         | Eligible Shareholders can apply for Shortfall Shares.<br><br>The Directors reserve the right to place any Shortfall Shares at their discretion within 3 months of the Closing Date.  | Section 8.5                           |
| <b>How can I obtain further advice?</b>                                    | Contact the Superior Resources Limited Offer Information Line on 1300 730 659 at any time between 8.30am and 5.30pm (AEST) Monday to Friday until the Closing Date. Alternatively, consult your broker, accountant or other professional adviser.  |                                       |



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## 5 PURPOSE AND EFFECT OF THE OFFER

### 5.1 Introduction

The Company is seeking to raise up to approximately \$745,000 before issue costs under the Offer at a price of \$0.003 per Share on the basis of 1 New Share for every 3 existing Shares held as at the Record Date, with 1 New Option for every 3 New Shares issued.

Shareholders may, in addition to their Entitlement apply for Shortfall Shares.

### 5.2 Purpose of the Offer

The Directors intend to apply the proceeds from the Offer together with existing cash on hand and funds raised under the Placement as follows:

| Use of funds (\$'000) (approx.)  | Full Subscription  |
|--|--------------------|
| Steam Engine Gold Deposit  | \$700,000          |
| <ul style="list-style-type: none"><li>Resource definition drilling to upgrade and expand the current Mineral Resource; and</li><li>Complete a Scoping Study.</li></ul> |                    |
| Wyandotte Copper Prospect  | \$150,000          |
| <ul style="list-style-type: none"><li>Resource drilling; and</li><li>Establish a Maiden Mineral Resource Estimate.</li></ul>   |                    |
| Big Mag Prospect - conduct a maiden RAB/Aircore drilling program on the approximately 80km <sup>2</sup> Ni-Cu sulphide prospect.                                       | \$150,000          |
| General working capital  | \$350,000          |
| Costs of the Placement and Offer   | \$80,000           |
| <b>Total use of funds</b>  | <b>\$1,430,000</b> |

#### Notes:

- 1 This table is a statement of the proposed application of the funds raised as at the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the Company's decisions. The Company reserves the right to vary the way funds are applied.
- 2 Funds raised will, in the event less than Full Subscription is received, be allocated firstly towards the costs of the Offer and then proportionally as set out above.
- 3 General working capital is intended to accelerate and/or extend/continue the above initiative as required, and corporate administration and operating costs (including directors' fees, ASX and share registry fees, legal, tax and audit fees, insurance and travel costs).

4 See section 10.5 for further details relating to the estimated expenses of the Offer.

### 5.3 Statement of financial position

Set out in section 13 is the reviewed Statement of Financial Position of the Company and the Pro-Forma Statement of Financial Position, as at 31 December 2019 and on the basis of the following assumptions:

- (a) The Offer and Placement were effective on 31 December 2019.
- (b) No further Shares are issued other than under the Placement and all Shares offered under this Prospectus.
- (c) Completion of the Placement by way of full subscription and issue of 144,900,000 Shares at an issue price of \$0.003 and 48,300,000 Options to raise \$434,700.
- (d) Completion of the Offer, by way of full subscription and issue of 248,472,913 Shares at an issue price of \$0.003 per New Share to raise up to \$745,419 (before costs). together with 82,824,304 New Options.
- (e) The Company has reduced its investment held in Carnaby Resources Limited by selling shares. The sale transactions are recorded as reduction Financial Assets.
- (f) The termination of the Joint Venture with South 32 has been recorded by setting off the Liabilities - Restriction over assets against Exploration expenditure JVA and Financial Assets restricted cash.
- (g) (cash) costs of the Placement and Offer are \$80,000 and have been offset against the proceeds of the Placement.

The pro-forma Statement of Financial Position has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company set out in section 13. The pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

### 5.4 Effect of the Offer on the Company's securities

Assuming that no further Shares are issued prior to the Record Date, at the close of the Offer the capital structure of the Company will be:

| Shares   | Full Subscription    |            |
|--|----------------------|------------|
|  | Number               | %          |
| Existing Shares  | 745,418,740          | 65.46      |
| Placement Shares (to be issued following the Record Date and with respect to 33,087,190 Shares, subject to Shareholder approval) | 144,900,000          | 12.72      |
| New Shares offered under this Prospectus   | 248,472,913          | 21.82      |
| <b>Total Shares</b>  | <b>1,138,791,653</b> | <b>100</b> |

Assuming that no further Options are issued prior to the Record Date, at the close of the Offer and Placement, the number of Options on issue will be:

| Options   | Full Subscription  |            |
|---|--------------------|------------|
|   | Number             | %          |
| Options to be offered under the Offer                       | 82,824,304         | 65.46      |
| Options to be issued under the Placement                    | 48,300,000         | 12.72      |
| Options issued to brokers on conjunction with the Placement | 15,000,000         | 21.82      |
| <b>Total Options</b>  | <b>146,124,304</b> | <b>100</b> |

### 5.5 Effect on control

The effect on control of the Company will depend on the extent to which Shareholders take up their Entitlement. There will be no effect on control if all Shareholders take up their Entitlement.

No Shareholder may acquire a relevant interest in 20% or more of the Company's Shares following the Offer.

### 5.6 Dilution

Shareholders who do not participate in the Offer will have their holdings diluted. Following is a table which sets out the dilutionary effect, assuming the full amount is raised and no further Shares are issued or Options exercised:

| Holder | Holding at Record Date |       | Entitlement | Holding following the Offer if no Entitlement taken up and assuming Full Subscription and completion of the Placement |       |
|--------|------------------------|-------|-------------|---|-------|
|        | Number                 | %     |             | Number  | %     |
| 1      | 74,542                 | 0.01% | 24,847      | 74,542  | 0.007 |
| 2      | 745,419                | 0.10% | 248,473     | 745,419   | 0.065 |
| 3      | 7,454,187              | 1.00% | 2,484,729   | 7,454,187   | 0.655 |
| 4      | 18,635,469             | 2.50% | 6,211,823   | 18,635,469  | 1.636 |

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## 6 RISK FACTORS

This section identifies the major risks the Board has identified regarding an investment in the Company. The Company's business is subject to risk factors, both specific to its business activities, and risks of a general nature. Individually, or in combination, these might affect the future operating performance of the Company and the value of an investment in the Company. There can be no guarantee that the Company will achieve its stated objectives or that any forward looking statements will be achieved. An investment in the Company should be considered in light of relevant risks, both general and specific. Each of the risks set out below could, if it eventuates, have a material adverse impact on the Company's prospects, and the market price of the Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

Before deciding to invest in the Company, potential investors should:

- (a) read the entire Prospectus;
- (b) consider the assumptions underlying any forward looking statements;
- (c) review these factors in light of their personal circumstances; and
- (d) seek professional advice from their accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest.

### 6.2 Risk specific to the Offer

- (a) No minimum subscription

The Offer is not subject to a minimum subscription. Whilst the Directors believe funds raised under the Placement will be sufficient for the Company to carry out some of its exploration objections, there is a risk that these funds may not be sufficient.

- (b) Future funding and ability to continue as a going concern

Funds raised from the Offer will be used for the purposes mentioned under section 5.2 of the prospectus. Whilst the Company believes that the amount raised under the Placement will be sufficient to carry out certain exploration and development activities, additional funding will be required to continue both existing and proposed activities. Raising additional capital may be dilutive to existing Shareholders.

- (c) Dilution

Shareholders who do not take up their Entitlement will have their holding in the Company diluted. Details of dilution are set out in section 5.6 above.

- (d) Completion of Placement

Tranche 1 of the Placement is for 111,812,810 Shares and is made using the Company's 15% capacity. Tranche 1 is expected to complete on 27 May 2020. The remaining 33,087,190 Share and 48,300,000 New Options will be issued subject to Shareholder approval to be sought at a meeting in late June 2020, and after the Offer has closed.

The Offer is not conditional upon the Placement completing and whilst considered unlikely there is a risk that the Placement may not complete.

### 6.3 Specific Investment Risks

(a) Exploration success

To date, the Company has undertaken varying degrees of limited exploration work on its Greenvale and North West Queensland Projects. The exploration work can be summarily described as investigative and follow-up mineral exploration work. With respect to the Steam Engine Gold Deposit and the Cockie Creek Prospect, more advanced stage mineral resource estimation work has been undertaken, resulting in the establishment of mineral resource estimates.

No assurance can be given that further exploration work will be successful or that a commercial mining operation will eventuate.

The ultimate success and financial viability of the Company depends on the discovery and delineation of economically recoverable Ore Reserves, design and construction of efficient mining and processing facilities and competent operational and managerial performance.

There is no assurance that exploration and development of the mineral interests held by the Company, or any other projects that may be acquired by the Company in the future, will result in the discovery of an economic deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be profitably exploited.

The development of a commercial mining operation is also dependent on the Company's ability to obtain necessary titles and governmental and other regulatory approvals.

(b) Mineral Resource estimates

The Company has announced Mineral Resource Estimates in respect of its and Steam Engine Gold Deposit (reported in compliance with the JORC Code 2012) and Cockie Creek Prospect (reported in compliance with the JORC Code 2004).

These are expressions of judgement based on knowledge, experience and industry practice (refer to the JORC Code for further information on resource estimation). Estimates that were valid when originally made may alter significantly when additional information obtained from further resource drilling and modelling becomes available.

In addition, by their very nature, resource estimates are imprecise and depend on interpretations which may prove to be inaccurate, and whilst the Company will employ industry-standard techniques including compliance with the JORC Code to reduce the resource estimation risk, there is no assurance that this approach will alter the risk. As further information becomes available, resource estimates may change. This may result in alterations to mining and development plans which may in turn adversely affect the Company.

(c) Native Title and access risk

The Company's exploration and mining activities in Australia are derived from rights and interests that are provided by validly granted mining and exploration tenements

that it holds. The valid grant and renewal of these tenements are subject to compliance with statutory procedures under the *Native Title Act 1993* (Cth) and associated laws relating to Native Title and aboriginal land. The exercise of rights under the tenements may be affected by laws relating to aboriginal cultural heritage, such as the *Aboriginal Cultural Heritage Act 2003* (Qld) and the *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Cth).

The Company's current and future exploration and mining activities can be affected by native title claims and determinations, aboriginal land claims and related compensation claim considerations.

The Company may also be required to comply with conditions imposed on the exploration and mining tenement titles or separately negotiated cultural heritage agreements, which require heritage survey work to be undertaken ahead of the commencement of exploration and mining activities. It is possible that aboriginal sites of cultural significance may be found within tenements held by the Company, which may preclude, delay or introduce additional costs in respect of the conduct of the exploration and mining activities.

In addition, before mining operations can be conducted, the Company will need to hold or be granted a mining lease granted under the *Mineral Resources Act 1989* (Qld). Before a mining lease can be granted validly with respect to native title, the Company must comply with statutory procedures under the *Native Title Act 1993* (Cth), which provide registered native title claimants and registered native title holders with a right to negotiate about the grant of the mining lease. This statutory procedure may introduce delays or additional costs to the grant of the mining lease.

(d) Environmental risks

The operations and proposed activities of the Company are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are likely to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Mining operations have inherent risks and liabilities associated with safety, damage to the environment and the disposal of waste products. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.

Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in delay to anticipated exploration programs or mining activities.

(e) Commodity prices

As an explorer for gold, copper, zinc, lead, cobalt and potentially other minerals, any earnings of the Company are expected to be closely related to the price of these commodities.

Commodities prices fluctuate and are affected by numerous factors beyond the control of the Company. These factors include worldwide and regional supply and demand for commodities, general world economic conditions and the outlook for interest rates, inflation and other economic factors on both a regional and global basis. These factors may have a positive or negative effect on the Company's exploration, project development and production plans and activities, together with the ability to fund those plans and activities.

(f) Future capital needs and additional funding

The Company recorded a net loss of \$459,381 and a net outflow from operating activities of \$233,792 for the half year ending 31 December 2019. As at 31 December 2019, it had approximately \$214,123 cash on hand.

The Company's ability to raise further capital (equity or debt) within an acceptable time, of a sufficient amount and on terms acceptable to the Company will vary according to a number of factors, including exploration success and market (equity and commodity) conditions.

If the Company is required, or chooses, to advance the Company's projects beyond the completion of those stated objectives, the Company will require additional funding to progress its projects beyond the work programs identified in this Prospectus. There is no assurance that the Company will be able to access this funding on favourable terms or at all. If adequate funds are not available on acceptable terms the Company may not be able to further develop its projects and it may impact on the Company's ability to continue as a going concern.

(g) Reliance on key personnel and consultants

The Company's success largely depends on the core competencies of its Directors, management and third party consultants and their familiarisation with, and ability to operate in, the exploration industry. The financial performance of the Company and the value of an investment in the Company partly depend on the ability of the Company to retain these key personnel and consultants.

(h) Insurance

The Company, where economically feasible, insures its operations in accordance with industry practice. However, in certain circumstances, the Company's insurance, if obtained, may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a negative effect on the financial performance of the Company and the value of an investment in the Company.

(i) Speculative Nature of Investment

Any potential investor should be aware that subscribing for Shares involves various risks. The Shares to be issued pursuant to the Offer carry no guarantees with respect to the payment of dividends, return of capital or market value. The success of the Company is dependent on exploration success and the completion of technical studies that demonstrate the economic viability of its exploration assets. An investment in the Company should therefore be considered speculative in nature.

#### **6.4 General Investment Risks**

(a) Share Market Investments

It is important to recognise that the price of Shares may rise or fall, and they might trade at prices below or above the Offer Price. There can also be no assurance that an active trading market will develop for the Shares.

Factors affecting the price at which the Shares are traded on ASX could include domestic and international economic conditions. In addition, the prices of many listed entities' securities are affected by factors that might be unrelated to the operating performance of the relevant company. Those fluctuations might adversely affect the price of the Shares.

(b) General Economic Conditions

The Company's operating and financial performance is influenced by a variety of general economic and business conditions including the level of inflation, interest rates and government fiscal, monetary and regulatory policies. Prolonged deterioration in general economic conditions, including an increase in interest rates, could be expected to have a corresponding adverse impact on the Company's operating and financial performance.

(c) Taxation Risks

Changes to the rate of taxes imposed on the Company (including in overseas jurisdictions in which the Company operates now or in the future) or tax legislation generally may affect the Company and its Shareholders. In addition, an interpretation of Australian taxation laws by the Australian Taxation Office that differs to the Company's interpretation may lead to an increase in the Company's taxation liabilities and a reduction in Shareholder returns.

Personal tax liabilities are the responsibility of each individual investor. the Company is not responsible either for taxation or penalties incurred by investors.

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## **7 ACTIONS REQUIRED BY ELIGIBLE SHAREHOLDERS**

### **7.1 What you may do**

As an Eligible Shareholder, you may:

- (a) subscribe for all or part of your Entitlement (see section 7.2);
- (b) subscribe for all of your Entitlement and apply for Shortfall Shares (see section 7.3);
- (c) allow all or part of your Entitlement to lapse (see section 7.4).



## **7.2 Subscribe for all or part of your Entitlement**

Applicants should read this Prospectus in its entirety in order to make an informed decision on the prospects of the Company and the rights attaching to the New Shares and attaching Options offered by this Prospectus before deciding to apply for New Shares. If you do not understand this Prospectus you should consult your stockbroker, accountant or other professional adviser in order to satisfy yourself as to the contents of this Prospectus.

If you wish to subscribe for all or part of your Entitlement, complete the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on that form. The Entitlement and Acceptance Form sets out the number of New Shares you are entitled to subscribe for.

## **7.3 Subscribe for all of your Entitlement and apply for Shortfall Shares**

Eligible Shareholders who take up their Entitlement in full may, in addition to their Entitlement, apply for Shortfall Shares regardless of the size of their present holding by completing the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on that form. See section 8.5 for details of the manner in which Shortfall Shares will be allocated.

A cheque, bank draft or money order should be used for the application money for your Entitlement and the number of Shortfall Shares you wish to apply for as stated on the Entitlement and Acceptance Form.

Alternatively, if you are paying by BPAY®<sup>1</sup>, refer to your personalised instructions on your Entitlement and Acceptance Form. Shareholders who wish to pay by BPAY must ensure that payment is received by no later than 5pm AEST on the Closing Date.

Any refund of application monies will be returned to Applicants as soon as practicable following the issue of all Shortfall Shares.

## **7.4 Allow all or part of your Entitlement to lapse**

If you are an Eligible Shareholder and do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

If you take no action, your Entitlement will lapse. You will receive no benefit or New Shares and your Entitlement will become Shortfall Shares.

The number of Existing Shares you hold as at the Record Date and the rights attached to those Existing Shares will not be affected if you choose not to accept any of your Entitlement.

## **7.5 Payment methods**

### ***BPAY***

If you are paying by BPAY, refer to your personalised instructions on your Entitlement and Acceptance Form. Shareholders who wish to pay by BPAY do not need to complete and return the Entitlement and Acceptance Form; however must ensure that payment is received by no later than 5.00pm AEST on the Closing Date.

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<sup>1</sup> Registered to BPAY Pty Ltd ABN 69 079 137 518

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. It is your responsibility to ensure that funds submitted through BPAY are received by 5.00pm AEST on the Closing Date.

If you have more than one shareholding and consequently receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those shareholdings only use the Customer Reference Number specific to that shareholding as set out in the applicable Entitlement and Acceptance Form. Do not use the same Customer Reference Number for more than one of your shareholdings. This can result in your application monies being applied to your Entitlement in respect of only one of your shareholdings (with the result that any application in respect of your remaining shareholdings will not be recognised as valid).

The Company shall not be responsible for any postal or delivery delays or delay in the receipt of the BPAY payment.

#### **Cheque, bank draft or money order**

Alternatively, if you are paying by cheque, bank draft or money order, the completed Entitlement and Acceptance Form must be accompanied by a cheque, bank draft or money order made payable to 'Superior Resources Limited' and crossed 'Not Negotiable' for the appropriate application money in Australian dollars calculated at \$0.003 per New Share accepted. Your cheque, bank draft or money order must be paid in Australian currency and be drawn on an Australian branch of an Australian financial institution. The Company will present the cheque or bank draft on the day of receipt of the Entitlement and Acceptance Form. You must ensure that your cheque account has sufficient funds to cover your payment, as your cheque will be presented for payment on receipt. If your bank dishonours your cheque your application will be rejected. Dishonoured cheques will not be represented.

If the amount of your cheque(s), bank draft(s) or money order(s) for application money (or the amount for which those cheque(s) or bank draft(s) clear in time for allocation) is insufficient to pay for the number of New Shares you have applied for in your Entitlement and Acceptance Form, you may be taken to have applied for such lower number of New Shares as your cleared application money will pay for (and to have specified that number of New Shares in your Entitlement and Acceptance Form) or your Application may be rejected.

The Entitlement and Acceptance Form must be received by the Company at the following addresses by no later than 5.00pm (AEST) on the Closing Date:

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**By Post To:**

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Superior Resources Limited  
C/- Link Market Services Limited  
GPO Box 3560  
Sydney NSW 2001

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#### **7.6 Entitlement and Acceptance Form is binding**

Receipt of a completed and lodged Entitlement and Acceptance Form together with a cheque, bank draft or money order for the application monies, or by making a payment in respect of

an Application by BPAY, constitutes a binding offer to acquire New Shares on the terms and conditions set out in this Prospectus and, once lodged, cannot be withdrawn.

By completing and returning your Entitlement and Acceptance Form with the requisite application monies, or by making a payment in respect of an Application by BPAY, you will be deemed to have represented that you are an Eligible Shareholder. In addition, you will also be deemed to have represented and warranted on behalf of yourself or each person on whose account you are acting that the law in your place of residence and/or where you have been given the Prospectus, does not prohibit you from being given the Prospectus and that you:

- (a) agree to be bound by the terms of the Offer;
- (b) declare that all details and statements in the Entitlement and Acceptance Form are complete and accurate;
- (c) declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Entitlement and Acceptance Form;
- (d) authorise the Company and its respective officers or agents, to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instructions of the Company's share registry upon using the contact details set out in the Entitlement and Acceptance Form;
- (e) declare that you are the current registered holder of Shares and are an Australian or New Zealand resident, and you are not in the United States or a US Person, or acting for the account or benefit of a US Person;
- (f) acknowledge that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs; and
- (g) acknowledge that the New Shares have not, and will not be, registered under the securities laws in any other jurisdictions outside Australia and New Zealand and accordingly, the New Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of applicable securities laws in particular the US Securities Act.

The Entitlement and Acceptance Form does not need to be signed to be a valid application. An Application will be deemed to have been accepted by the Company upon the issue of the New Shares.

If the Entitlement and Acceptance Form is not completed correctly or if the accompanying payment of the application monies is for the wrong amount, it may still be treated as a valid application for New Shares. The Directors' decision whether to treat an acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final. However, an Applicant will not be treated as having applied for more Shares than is indicated by the amount of the application monies received by the Company.

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## 8 DETAILS OF THE OFFER

### 8.1 Shares offered for subscription

By this Prospectus the Company makes a non-renounceable pro rata offer to Eligible Shareholders on the basis of 1 New Share for every 3 Existing Shares held as at the Record Date at a price of \$0.003 per New Share, with 1 New Option for every 3 New Shares issued, to raise up to approximately \$745,000 before issue costs. Fractional entitlements will be rounded down to the nearest whole number.

The Offer is only open to Eligible Shareholders. The Company reserves the right to reject any application that it believes comes from a person who is not an Eligible Shareholder.

Details of how to apply for New Shares are set out at section 7.

All New Shares offered under this Prospectus will rank equally with Existing Shares. The rights and liabilities of the New Shares offered under this Prospectus are summarised in section 9.

### 8.2 Minimum subscription

The Offer is not subject to a minimum subscription.

### 8.3 Acceptances

This Offer may be accepted in whole or in part prior to the Closing Date subject to the rights of the Company to extend the Offer period or close the Offer early.

Instructions for accepting your Entitlement are set out in section 7 and on the Entitlement and Acceptance Form which accompanies this Prospectus.

### 8.4 Entitlement to Offer

The Offer is made to Eligible Shareholders, who are those Shareholders that:

- (a) are the registered holder of Shares as at 7.00pm (AEST) on the Record Date; and
- (b) have a registered address in Australia or New Zealand.

### 8.5 Shortfall

Any New Shares not applied for under the Offer will become Shortfall Shares. The Directors reserve the right to issue any Shortfall Shares at an issue price of no less than the Price at their discretion within 3 months after the Closing Date (**Shortfall Offer**).

The Shortfall Offer is, to the extent it is made in Australia, made under this Prospectus. To the extent the Shortfall Offer is made outside Australia, the Shortfall Offer is made without disclosure, a prospectus, lodgement, filing or registration, or other requirements of any applicable securities law, and only in circumstances where it is lawful to do so (such as to institutional or sophisticated investors).

Eligible Shareholders may apply for Shortfall Shares by completing the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on that form. Other investors who are not Eligible Shareholders may apply for Shortfall Shares using the Shortfall Application Form attached to this Prospectus. Persons outside Australia doing so

represent to the Company that they can apply for Shortfall Shares in circumstances which do not require the offer for Shortfall Shares or this Prospectus to be registered.

It is possible that there may be no Shortfall Shares available for issue.

Subject to the above, the Directors reserve the right at their absolute discretion and subject to the Corporations Act and Listing Rules, to:

- (a) issue Shortfall Shares at their discretion by applying a policy of allocating Shortfall Shares in a manner that is in the Company's best interests; and
- (b) to reject any application for Shortfall Shares or to issue a lesser number of Shortfall Shares than that applied for.

It is an express term of the Shortfall Offer that applicants for Shortfall Shares will be bound to accept a lesser number of Shortfall Shares allocated to them than applied for. If a lesser number is allocated, excess application money will be refunded without interest as soon as practicable after the Closing Date.

#### **8.6 New Zealand Shareholders**

The Offer contained in this Prospectus to Eligible Shareholders with registered addresses in New Zealand is made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand). Members of the public in New Zealand who are not existing Shareholders on the Record Date are not entitled to apply for any New Shares. This Prospectus has not been registered, filed or approved by any New Zealand regulatory authority. This Prospectus is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

#### **8.7 Treatment of Ineligible Shareholders and sale for Ineligible Shareholders' Entitlement**

Given the small number of Ineligible Shareholders and the cost of complying with applicable regulations outside Australia and New Zealand, the Company has decided that it would be unreasonable to extend the Offer to Ineligible Shareholders. The Prospectus will not be sent to those Shareholders.

This Prospectus does not constitute an offer of securities in any jurisdiction where, or to any person to whom, it would not be lawful to issue the Prospectus or make the Offer. No action has been taken to register or qualify the New Shares or the Offer or otherwise to permit an offering of the New Shares in any jurisdiction other than as set out in this section.

This document is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the US and the District of Columbia). This document is not an offer of securities for sale into the United States or to, or for the account or benefit of, US Persons. The securities referred to herein have not been and will not be registered under the US Securities Act, and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons. No public offering of securities is being made in the United States.

Recipients may not send or otherwise distribute this Prospectus or the Entitlement and Acceptance Form to any person outside Australia or New Zealand (other than to Eligible Shareholders).

## 8.8 Beneficial holders, nominees, trustees and custodians

The foreign selling restrictions under the Offer summarised in section 8.7 of this Prospectus apply to the underlying beneficial holder. Nominees, trustees and custodians must not apply on behalf of any beneficial holder that would not itself be an Eligible Shareholder. Shareholders who are nominees, trustees or custodians are advised to seek independent advice as to how they should proceed. Shareholders who hold Shares on behalf of persons whose registered address is not in Australia or New Zealand are responsible for ensuring that applying for New Shares does not breach securities laws in the relevant overseas jurisdictions.

Nominees and custodians that hold Shares should note that the Offer is available only to Eligible Shareholders. The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of securities. If any nominee or custodian is acting on behalf of a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Offer is compatible with applicable foreign laws.

## 8.9 Allotment and application money

New Shares will be issued only after all application money has been received and ASX has granted permission for the New Shares to be quoted. It is expected that New Shares will be issued on 25 June 2020 and normal trading of the New Shares on ASX is expected to commence on 26 June 2020.

All application monies will be deposited into a separate bank account of the Company and held in trust for Applicants until the Shares are issued or application monies returned. Any interest that accrues will be retained by the Company and will not be paid to Applicants.

## 8.10 Quotation

The Company will apply to ASX within 7 days after the date of this Prospectus for quotation of the New Shares offered by this Prospectus on ASX. If ASX does not grant permission for the quotation of the New Shares offered under this Prospectus within 3 months after the date of this Prospectus, or such longer period as modified by ASIC, none of the New Shares offered by this Prospectus will be allotted or issued. In these circumstances, all Applications will be dealt with in accordance with the Corporations Act including the return of all application monies without interest.

A decision by ASX to grant official quotation of the New Shares is not to be taken in any way as an indication of ASX's view as to the merits of the Company or of the New Shares.

Quotation, if granted, of the New Shares offered by this Prospectus will commence as soon as practicable after statements of holdings of the New Shares are dispatched.

## 8.11 Market prices of Existing Shares on ASX

The highest and lowest market sale price of the Existing Shares, which are on the same terms and conditions as the New Shares being offered under this Prospectus, during the 3 months immediately preceding the lodgement of this Prospectus with the ASIC, and the last market sale price on the date before the lodgement date of this Prospectus, are set out below.

| 3 month high | 3 month low | Last market sale price |
|--------------|-------------|------------------------|
|--------------|-------------|------------------------|

|            |            |               |            |
|------------|------------|---------------|------------|
| Price (\$) | \$0.005    | \$0.002       | \$0.004    |
| Date       | 5 May 2020 | 23 March 2020 | 8 May 2020 |

### 8.12 CHES

The Company participates in the Clearing House Electronic Subregister System (**CHES**). CHES is operated by ASX Settlement Pty Ltd (**ASPL**), a wholly owned subsidiary of ASX.

Under CHES, the Company does not issue certificates to investors. Instead, security holders will receive a statement of their holdings in the Company, including New Shares issued under this Prospectus. If an investor is broker sponsored, ASPL will send a CHES statement.

The CHES statement will set out the number of New Shares issued under this Prospectus, provide details of your holder identification number and give the participation identification number of the sponsor.

If you are registered on the issuer sponsored sub register, your statement will be dispatched by the Company's share registrar and will contain the number of New Shares issued to you under this Prospectus and your security holder reference number.

A CHES statement or issuer sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes. Shareholders may request a statement at any other time, however, a charge may be made for additional statements.

### 8.13 Taxation and duty implications

The Directors do not consider that it is appropriate to give Shareholders advice regarding the taxation consequences of the Company conducting the Offer or Shareholders applying for New Shares under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation positions of Shareholders. The Company, its advisers and officers, do not accept any responsibility or liability for any taxation consequences to Shareholders in the Offer. Shareholders should, therefore, consult their own professional tax adviser in connection with the taxation implications of the Offer.

No brokerage or stamp duty is payable by Applicants in respect of Applications for New Shares under this Prospectus.

### 8.14 Privacy

The Company collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's security holding in the Company.

By submitting an Entitlement and Acceptance Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Entitlement and Acceptance Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related body corporates, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

The Corporations Act requires the Company to include information about the Shareholder (including name, address and details of the Shares held) in its public register. The information contained in the Company's public register must remain there even if that person ceases to be a Shareholder. Information contained in the Company's register is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its security holders) and compliance by the Company with legal and regulatory requirements.

If you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your Application. An Applicant has the right to gain access to the information that the Company holds about that person subject to certain exceptions under law. A fee may be charged for access. Such requests must be made in writing to the Company's registered office.

### **8.15 Enquiries**

Any queries regarding the Offer or Entitlement and Acceptance Form should be directed to the Superior Resources Limited Investor Information Line on +61 1300 730 659.

You can also contact your stockbroker or professional adviser with any queries in relation to the Offer.

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## **9 RIGHTS AND LIABILITIES ATTACHING TO SECURITIES**

### **9.1 Rights and liability attaching to Shares**

Full details of the rights and liabilities attaching to the Shares are:

- detailed in the Constitution, a copy of which can be inspected, free of charge, at the registered office of the Company during normal business hours; and
- in certain circumstances, regulated by the Corporations Act, the Listing Rules and the general law.

The following is a summary of the more significant rights and liabilities attaching to the Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

(a) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at a general meeting of members every member has one vote on a show of hands and one vote per Share on a poll. Voting may be in person or by proxy, attorney or representative.

(b) Dividends

Except as otherwise required by the Corporations Act and to the terms on which shares are on issue and the rights and restrictions attaching to shares, the Directors may from time to time:



- (i) declare dividends (whether final or interim) to be paid to members on such terms, including the amount and the time for and the method of payment, as the Directors think fit; or
  - (ii) determine that a dividend is payable, fix the amount and time for payment.
- (c) Future issues of securities

Subject to the Corporations Act and the Listing Rules, the Directors may issue, grant options over, or otherwise dispose of unissued shares in the Company at the times and on the terms that the Directors think proper and a share may be issued with preferential or special rights.
- (d) Transfer of Shares

A shareholder may transfer Shares by a market transfer in accordance with any computerised or electronic system established or recognised by ASX for the purpose of facilitating transfers in Shares or by an instrument in writing in a form approved by ASX or the Board.
- (e) Meetings and notices

Each shareholder is entitled to receive notice of, and to attend, general meetings for the Company and to receive all notices, accounts and other documents required to be sent to shareholders under the Constitution, the Corporations Act or the Listing Rules.

Shareholders may requisition meetings in accordance with the Corporations Act.
- (f) Liquidation rights

The Company has one class of shares on issue, ordinary shares. Each ordinary Share ranks equally in the event of liquidation.
- (g) Variation of rights

Subject to the Corporations Act and Listing Rules, the rights attached to the Shares may be varied in accordance with the Corporations Act
- (h) Election of directors

At every annual general meeting one third of the Directors (rounded up to the nearest whole number) must retire from office. Any Director who would have held office for more than 3 years if that Director remains in office until the next general meeting must retire. These retirement rules do not apply to certain appointments including the managing director.
- (i) Indemnities

To the extent permitted by law the Company must indemnify each past and present Director and secretary against any liability incurred by that person as an officer of the Company and any legal costs incurred in defending an action in respect of such liability.
- (j) Winding up

Subject to the Corporations Act, the ASX Listing Rules and any rights or restrictions attached to a class of shares, on a winding up of the Company any surplus must be divided among the shareholders of the Company.

(k) Shareholder liability

As the Shares offered under the Prospectus are fully paid Shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(l) Alteration to the Constitution

The Constitution can only be amended by a special resolution passed by at least three quarters of shareholders present and voting at the general meeting. At least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

(m) Listing Rules

If the Company is admitted to trading on the Official List, then despite anything in the Constitution, if the Listing Rules prohibit an act being done, the act must not be done. Nothing in the Constitution prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the Constitution to contain a provision and it does not contain such a provision, the Constitution is deemed to contain that provision. If the Listing Rules require the Constitution not to contain a provision and it contains such a provision, the Constitution is deemed not to contain that provision. If a provision of the Constitution is or becomes inconsistent with the Listing Rules, the Constitution is deemed not to contain that provision to the extent of the inconsistency.

## 9.2 Rights and liabilities attaching to Options

Options offered under this Prospectus are subject to the following terms:

- (a) The Options will be issued for no consideration.
- (b) Each Option entitles the holder to be issued one Share.
- (c) The exercise price of the Options is \$0.006 each.
- (d) The expiry date of an Option is 31 December 2021.
- (e) The Options may be exercised at any time prior to the expiry date, in whole or in part, upon payment of the exercise price per Option.
- (f) The Company does not intend to apply for quotation of the Options on the official list of the ASX.
- (g) The holder of an Option may not exercise less than 83,333 Options at any one time unless the holder has less than 83,333 Options in which event the Holder must exercise all of the Options together.
- (h) The Company will provide to each Option holder a notice that is to be completed when exercising the Options (Notice of Exercise). Options may be exercised by the Option holder in whole or in part by completing the Notice of Exercise and forwarding the same to the Share Registry to be received prior to the expiry date. The Notice

of Exercise must state the number of Options exercised, the consequent number of Shares to be issued and the identity of the proposed subscribers. The Notice of Exercise by an Option holder must be accompanied by payment in full for the relevant number of Shares being subscribed, being an amount of the exercise price per Share.

- (i) All Shares issued upon the exercise of the Options will rank equally in all respects with the Company's then issued Shares. The Company must apply to the ASX in accordance with the Listing Rules for all Shares pursuant to the exercise of Options to be admitted to quotation.
- (j) There are no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new issues or pro-rata issues of capital to Shareholders during the term of the Options. Thereby, the Option holder has no rights to a change in:
  - (i) the exercise price of the Option; or
  - (ii) period of exercise of the Option; or
  - (iii) except in the event of a Bonus Issue (defined below), a change to the number of underlying securities over which the Option can be exercised.
- (k) The Company will ensure, for the purposes of determining entitlements to any issue, that Option holder will be notified of a proposed issue after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in such issues.
- (l) If from time to time on or prior to the Expiry Date the Company makes a bonus issue of securities to holders of Shares in the Company (Bonus Issue), then upon exercise of his or her Options a holder will be entitled to have issued to him or her (in addition to the Shares which he or she is otherwise entitled to have issued to him or her upon such exercise) the number of securities which would have been issued to him or her under that Bonus Issue if the Options had been exercised before the record date for the Bonus Issue.
- (m) In the event of any reconstruction (including consolidation, subdivisions, reduction or return) of the authorised or issued capital of the Company, all rights of the Option holder shall be reconstructed (as appropriate) in accordance with the ASX Listing Rules.

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## 10 ADDITIONAL INFORMATION

### 10.1 Continuous disclosure obligations

The Company is a 'disclosing entity' (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities. The New Shares which will be issued pursuant to this Prospectus are in the same class of Shares that have been quoted on the Official List during the 12 months prior to the issue of this Prospectus.

This Prospectus is a "transaction specific prospectus" to which the special content rules under section 713 of the Corporations Act apply. That provision allows the issue of a more concise prospectus in relation to an offer of securities in a class which has been continuously quoted by ASX in the three months prior to the date of the prospectus. In general terms "transaction specific prospectuses" are only required to contain information in relation to the effect of the issue of New Shares on the Company and the rights attaching to the New Shares. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the period from lodgement of the Company's annual financial statements of the Company for the financial year ended 30 June 2018 to the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

The Company confirms that, to the extent to which it is reasonable for investors and their professional advisers to expect to find the information in this Prospectus, there is no information

- (a) that has been excluded from a continuous disclosure notice in accordance with ASX Listing Rules; and
- (b) is information that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
  - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
  - (ii) the rights and liabilities attaching to New Shares.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:

- (i) the annual financial statements of the Company for the financial year ended 30 June 2019 being the last financial statements for a financial year, of the Company lodged with the ASIC before the issue of this Prospectus;
- (ii) any half-year financial report lodged with ASIC by the Company after the lodgement of that annual report and before the lodgement of this Prospectus; and
- (iii) any continuous disclosure notices given by the Company after the lodgement of the financial statements referred to in paragraph (i) and before the lodgement of this Prospectus with ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be obtained free of charge from the Company's registered office during normal office hours or from [asx.com.au](http://asx.com.au).

The Company has lodged the following announcements with ASX since its 2019 annual report was lodged with ASX on 28 October 2019:

| <b>Date</b> | <b>Announcement</b>  |
|-------------|--|
| 15/05/2020  | Voluntary Suspension from Official Quotation               |
| 13/05/2020  | Trading Halt   |
| 04/05/2020  | Steam Engine Gold Mineral Resource Upgraded                |
| 30/04/2020  | Quarterly Activities Report                                |
| 30/04/2020  | Quarterly Cashflow Report                                  |
| 26/03/2020  | Change of Director's Interest Notice-Late Lodgement Notice |
| 26/03/2020  | Change of Director's Interest Notice                       |
| 26/03/2020  | Change of Director's Interest Notice                       |
| 13/03/2020  | Half Year Accounts   |
| 06/03/2020  | Drilling results upgrade Nicholson Project potential       |
| 30/01/2020  | Quarterly Activities Report                                |
| 30/01/2020  | Quarterly Cashflow Report                                  |
| 05/12/2019  | Additional Information Statement                           |
| 29/11/2019  | Initial Director's Interest Notice                         |
| 29/11/2019  | Final Director's Interest Notice                           |
| 28/11/2019  | Results of Meeting   |

|            |   |
|------------|---|
| 28/11/2019 | Board Changes - Director Retirement         |
| 28/11/2019 | Managing Director's AGM Presentation        |
| 06/11/2019 | AMENDED CORPORATE GOVERNANCE STATEMENT      |
| 06/11/2019 | AMENDED APPENDIX 4G                         |
| 31/10/2019 | Quarterly Cashflow Report                   |
| 31/10/2019 | Quarterly Activities Report                 |
| 28/10/2019 | Notice of Annual General Meeting/Proxy Form |

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours or from [www.asx.com.au](http://www.asx.com.au).

## 10.2 Directors' interests

As at the date of this Prospectus the Directors have a relevant interest in securities of the Company and remuneration over the last 2 years as set out below.

|                     | Annual<br>Remuneration | Shares     | Entitlement |
|---------------------|------------------------|------------|-------------|
| Mr Carlos Fernicola | \$48,000               | 36,000,000 | 12,000,000  |
| Mr Peter Hwang      | \$231,045              | 33,322,467 | 11,107,489  |
| Mr Simon Pooley     | \$24,000               | 1,250,000  | 416,666     |

### Notes:

- 1 Non-executive Directors are entitled to annual directors' fees of \$24,000 (inclusive of superannuation).
- 2 The Managing Director is entitled to a remuneration package consisting \$231,045, inclusive of superannuation.
- 3 The Directors operate under a cash flow management policy, which reduces Directors' draw on salaries to 50% and 65% for non-executive Directors and the Managing Director, respectively.

The Constitution provides that the Directors may be paid for their services as Directors. Non-executive directors may only be paid a sum not exceeding such fixed sum per annum as may be determined by the Company in general meeting, to be divided among the non-executive directors and in default of agreement then in equal shares.

The Company also pays premiums to insure all of the Directors against liabilities for costs and expenses incurred by them in defending legal proceedings arising from their conduct whilst acting in the capacity as a Director of the Company.

Other than as set out above or elsewhere in this Prospectus, no Director or proposed Director holds at the date of this Prospectus, or held at any time during the last 2 years before the date of lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of the Company; or
- (b) any property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Company or the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given:

- (d) to a Director or proposed Director or to any firm which any such Director is a partner, to induce him or her to become, or to qualify as, a Director; or
- (e) for services provided by a Director or proposed Director or to any firm which any such Director is a partner, in connection with the formation or promotion of the Company or the Offer.

### **10.3 Interests of promoters and named persons**

Except as disclosed in this Prospectus, no expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the 2 year period ending on the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- (c) the Offer.

PKF Brisbane Audit has acted as auditor for the Company's half year accounts for the period ending 31 December 2019. In respect of this work, PKF Brisbane Audit was paid approximately \$10,500. PKF Brisbane Audit has received \$58,700 for services to the Company in the 2 years prior to the date of this Prospectus.

Atkinson Corporate Lawyers has acted as solicitor to the Offer. In respect of this work, the Company will pay approximately \$10,000 exclusive of GST. Subsequently fees will be paid in accordance with normal hourly rates. Atkinson Corporate Lawyers has received fees for services to the Company of \$9,800 in the 2 years prior to the date of this Prospectus.

### **10.4 Consents**

Each of the persons referred to in this section:

- (a) has given and has not, before the date of lodgement of this Prospectus with ASIC withdrawn their written consent:
  - (i) to be named in the Prospectus in the form and context which it is named; and

- (ii) where applicable, to the inclusion in this Prospectus of the statement(s) and/or reports (if any) by that person in the form and context in which it appears in this Prospectus;
- (b) has not caused or authorised the issue of this Prospectus;
- (c) has not made any statement in this Prospectus or any statement on which a statement in this Prospectus is based, other than specified below;
- (d) to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for, any part of this Prospectus, other than the references to their name and the statement(s) and/or report(s) (if any) specified below and included in this Prospectus with the consent of that person.

| Name                       | Role    |
|----------------------------|---------|
| Atkinson Corporate Lawyers | Lawyer  |
| PKF Brisbane Audit         | Auditor |

#### 10.5 Expenses of the Offer

The total (cash) expenses of the Offer (assuming the full amount is raised and no further Shares are issued or Options exercised) and the Placement are estimated to be approximately \$80,000, consisting of the following:

| Cost <sup>1</sup>                    | \$            |
|--------------------------------------|---------------|
| Legal fees                           | 15,000        |
| ASX and ASIC fees                    | 10,000        |
| Capital raising fees <sup>2</sup>    | 25,000        |
| Printing, postage and other expenses | 30,000        |
| <b>Total</b>                         | <b>80,000</b> |

1 These expenses have or will be paid by the Company.

2 The Company has agreed to pay 6% on amounts placed under the Placement and Offer Shortfall by certain AFSL holders and also to issue 15 million New Options. This assumes that no funds are placed under the Offer..

#### 10.6 Litigation

As at the date of this Prospectus and other than as set out below, the Company is not involved in any other legal proceedings of a material nature and the Directors are not aware of any other legal proceedings pending or threatened against the Company.

Whilst undertaking due diligence for the Placement and Offer, the Company became aware that the cleansing notice given with respect to a share placement made by the Company in



August 2019 (**August 2019 Placement**) was lodged prior to shares being issued under the August 2019 Placement. The cleansing notice was therefore an invalid notice and as a result, those shares could not be offered for sale. Certain shares issued under the August 2019 Placement have been sold and on 18 May 2020 the Company applied to the Federal Court for orders to validate the sales.

On 19 May 2020 The Honorable Justice Jackson made orders validating the sales. A copy of the orders will be announced to ASX on 20 May 2020.

The prospectus lodged with ASIC earlier today contains an offer for the purposes of section 708A(11) of the Corporations Act. There are no restrictions on trading shares issued under the August 2019 placement.

Persons with any queries in relation to the August 2019 Placement and Federal Court application are urged to contact the Company.

#### **10.7 Offer for the purposes of section 708A(11) of the Corporations Act**

Under this Prospectus the Company offers one Share to an unrelated person nominated by the Company Secretary. The purpose of this offer is to comply with section 708A(11) of the Corporations Act and allow Shares issued under the August 2019 Placement and Placement to be offered for sale without disclosure. Section 708A(11) provides that an offer of quoted securities issued without disclosure does not require disclosure if either:

- (a) a prospectus is lodged with ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
- (b) a prospectus is lodged with ASIC before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and

the prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.

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**11 DIRECTORS' RESPONSIBILITY AND CONSENT**

Each Director has consented to the lodgement of this Prospectus with the ASIC and has not withdrawn that consent.

Dated: 20 May 2020



.....

Signed for and on behalf of Superior Resources Limited

By Peter Hwang  
Managing Director

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## 12 GLOSSARY

Where the following terms are used in this Prospectus they have the following meanings:

|  |   |
|--|---|
| <b>\$, A\$ or Dollars</b>              | Australian dollars unless otherwise stated.   |
| <b>AEST</b>                            | Australian Eastern Standard Time  |
| <b>Applicant</b>                       | a person who submits a valid Entitlement and Acceptance Form pursuant to this Prospectus.                               |
| <b>Application</b>                     | a valid application made on an Entitlement and Acceptance Form to subscribe for New Shares pursuant to this Prospectus. |
| <b>ASIC</b>                            | the Australian Securities & Investments Commission.   |
| <b>ASX</b>                             | ASX Limited ACN 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.   |
| <b>Board</b>                           | the board of Directors.   |
| <b>Business Day</b>                    | Monday to Friday inclusive, except any day that ASX declares is not a business day.                                     |
| <b>Closing Date</b>                    | the date set out in section 1.  |
| <b>Company or Superior</b>             | Superior Resources Limited (ACN 112 844 407).   |
| <b>Constitution</b>                    | the constitution of the Company.  |
| <b>Corporations Act</b>                | the <i>Corporations Act 2001</i> (Cth).   |
| <b>Director</b>                        | a director of the Company.  |
| <b>Eligible Shareholders</b>           | a Shareholder as at the Record Date with a registered address in Australia or New Zealand.                              |
| <b>Entitlement or Right</b>            | a Shareholder's entitlement to subscribe for New Shares offered by this Prospectus.                                     |
| <b>Entitlement and Acceptance Form</b> | the personalised entitlement and acceptance form attached to this Prospectus.   |
| <b>Ex Date</b>                         | the date set out in section 1.  |
| <b>Existing Share</b>                  | a Share issued as at 7.00pm (AEST) on the Record Date.  |
| <b>Full Subscription</b>               | approximately \$745,419 before costs.   |

|                               |   |
|-------------------------------|---|
| <b>Ineligible Shareholder</b> | a Shareholder who is not an Eligible Shareholder.   |
| <b>Listing Rules</b>          | the listing rules of the ASX.   |
| <b>New Option</b>             | means an Option on the terms set out in section 9.2 and offered under this Prospectus.              |
| <b>New Shares</b>             | Shares issued pursuant to this Prospectus.  |
| <b>Offer</b>                  | an offer made under this Prospectus to subscribe for New Shares.                                    |
| <b>Official List</b>          | the official list of the ASX.   |
| <b>Opening Date</b>           | the date set out in section 1.  |
| <b>Option</b>                 | an option to be issued a Share.   |
| <b>Placement</b>              | has the meaning given in section 3.   |
| <b>Price</b>                  | means \$0.003.  |
| <b>Prospectus</b>             | this Prospectus and includes the electronic prospectus.   |
| <b>Record Date</b>            | the date set out in section 1.  |
| <b>Share</b>                  | a fully paid ordinary share in the Company.   |
| <b>Share Registry</b>         | Link Market Services Limited.   |
| <b>Shareholder</b>            | the registered holder of Shares.  |
| <b>Shortfall Offer</b>        | has the meaning given in section 8.5.   |
| <b>Shortfall Shares</b>       | New Shares for which valid Applications have not been received for Entitlement by the Closing Date. |
| <b>US person</b>              | has the meaning given to that term in Regulation S under the US Securities Act.                     |
| <b>US Securities Act</b>      | the <i>United States Securities Act of 1933</i> , as amended.                                       |

### 13 PRO FORMA STATEMENT OF FINANCIAL POSITION

|                                       | Audited Reviewed<br>Consolidated (\$) | Notes       | Pro-Forma Unaudited Consolidated<br>Placement (\$) | Rights Issue     |
|---------------------------------------|---------------------------------------|-------------|--|------------------|
| <b>ASSETS</b>                         |                                       |             |  |                  |
| Current Assets                        |                                       |             |  |                  |
| Cash and cash equivalents             | 214,123                               | (a) (b) (c) | 666,069  | 1,331,488        |
| Financial Assets                      | 16,248                                |             | 16,248   | 16,248           |
| Other assets                          | 55,965                                |             | 55,965   | 55,965           |
| <b>Total Current Assets</b>           | <b>286,336</b>                        |             | <b>738,282</b>                                     | <b>1,403,701</b> |
| Non-Current Assets                    |                                       |             |  |                  |
| Financial Assets                      | 175,481                               | (d)         | 40,163   | 40,163           |
| Financial Assets restricted cash      | 126,552                               | (e)         | 0  | 0                |
| Plant & Equipment                     | 8,066                                 |             | 8,066  | 8,066            |
| Exploration Expenditure               | 4,281,169                             | (e)         | 4,336,217  | 4,336,217        |
| Exploration Expenditure - JVA         | 1,706,122                             | (e)         | 0  | 0                |
| Other                                 | 29,798                                |             | 29,798   | 29,798           |
| <b>Total Non-Current Assets</b>       | <b>6,327,188</b>                      |             | <b>4,414,244</b>                                   | <b>4,414,244</b> |
| <b>Total Assets</b>                   | <b>6,613,524</b>                      |             | <b>5,152,526</b>                                   | <b>5,817,945</b> |
| <b>LIABILITIES</b>                    |                                       |             |  |                  |
| Current Liabilities                   |                                       |             |  |                  |
| Payables                              | (489,822)                             |             | (489,822)  | (489,822)        |
| <b>Total Current Liabilities</b>      | <b>(489,822)</b>                      |             | <b>(489,822)</b>                                   | <b>(489,822)</b> |
| Non-Current Liabilities               |                                       |             |  |                  |
| Payables                              | (44,666)                              |             | (44,666)   | (44,666)         |
| Liabilities - Restriction over assets | (1,895,698)                           |             | 0  | 0                |
| <b>Total Non-Current Liabilities</b>  | <b>(1,940,364)</b>                    |             | <b>(44,666)</b>                                    | <b>(44,666)</b>  |
| <b>Total Liabilities</b>              | <b>(2,430,186)</b>                    |             | <b>(534,488)</b>                                   | <b>(534,488)</b> |
| <b>Net Assets</b>                     | <b>4,183,338</b>                      |             | <b>4,618,038</b>                                   | <b>5,283,457</b> |
| <b>EQUITY</b>                         |                                       |             |  |                  |
| Contributed Equity                    | 11,410,707                            | (a) (b)     | 11,845,407   | 12,590,826       |
| Accumulated Losses                    | (4,017,034)                           |             | (4,017,034)  | (4,017,034)      |
| Reserves                              | (3,210,335)                           |             | (3,210,335)  | (3,290,335)      |
| <b>Total Equity</b>                   | <b>4,183,338</b>                      |             | <b>4,618,038</b>                                   | <b>5,283,457</b> |

The above pro forma Consolidated Statement of Financial Position has been prepared on the basis of movements in the assets and liabilities of the Company between 31 December 2019 and the completion of the capital raise as follows:

- (a) Completion of the Placement by way of full subscription and issue of 144,900,000 Shares at an issue price of \$0.003 and 48,300,000 New Options to raise \$434,700.
- (b) Completion of the Offer, by way of full subscription and issue of 248,472,913 Shares at an issue price of \$0.003 per New Share to raise up to \$745,419 (before costs). together with 82,824,304 New Options.
- (c) Expenses of the Placement and Offer (assuming no Shortfall Shares are placed by certain holders of AFSLs) are estimated at \$80,000.00.
- (d) The Company has reduced its investment held in Carnaby Resources Limited by selling shares. The sale transactions are recorded as reduction Financial Assets.
- (e) The termination of the Joint Venture with South 32 has been recorded by setting off the Liabilities - Restriction over assets against Exploration expenditure JVA and Financial Assets restricted cash.

**SRN/HIN:**

**Entitlement Number:**

**Number of Eligible Shares held as at the Record Date, 7:00pm (AEST) on 26 May 2020:**

**Entitlement to New Shares (on a 1 New Share for 3 basis):**

**Amount payable on full acceptance at \$0.003 per Share:**

|                                    |                     |
|------------------------------------|---------------------|
| <b>Offer Closes 5:00pm (AEST):</b> | <b>18 June 2020</b> |
|------------------------------------|---------------------|

### ENTITLEMENT AND ACCEPTANCE FORM

As an Eligible Shareholder you are entitled to acquire 1 New Share for every 3 Existing Shares that you hold on the Record Date, at an Offer Price of \$0.003 per New Share. You may also apply for New Shares in excess of your Entitlement, at the Offer Price. In addition, for every 3 New Shares issued, Superior Resources Limited will issue 1 free attaching New Option with an exercise price of A\$0.006. This is an important document and requires your immediate attention. If you do not understand it or you are in doubt as how to deal with it, you should contact your accountant, stockbroker, solicitor or other professional adviser.

**IMPORTANT:** The Offer is being made under the Prospectus dated 20 May 2020. The Prospectus contains information about investing in the New Shares. Before applying for New Shares, you should carefully read the Prospectus. This Entitlement and Acceptance Form should be read in conjunction with the Prospectus.

If you do not have a paper copy of the Prospectus, you can obtain a paper copy at no charge, by calling the Superior Resources Limited Offer Information Line on 1300 730 659 (within Australia) or +61 1300 730 659 (from outside Australia).

#### PAYMENT OPTIONS

If you wish to take up all or part of your Entitlement (as shown above), or take up all of your Entitlement and apply for additional New Shares, you have two payment options detailed below.

**OPTION 1: PAYING BY BPAY®**

If paying by BPAY®, refer to the instructions overleaf. **You do NOT need to return the acceptance slip below if you elect to make payment by BPAY®.** Payment must be received via BPAY® before 5:00pm (AEST) on 18 June 2020. You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry in time. By paying by BPAY® you will be deemed to have completed an Application Form for the number of Shares subject of your application payment.

**OPTION 2: PAYING BY CHEQUE, BANK DRAFT OR MONEY ORDER**

If paying by cheque, bank draft or money order, complete and return the acceptance slip below with your Application Monies. No signature is required on the acceptance slip. The acceptance slip with your Application Monies must be received by the Registry before 5:00pm (AEST) on 18 June 2020.



**Billers Code:** [XXXXXXX]  
**Ref:**

**Telephone & Internet Banking – BPAY®**

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. More info: www.bpay.com.au  
® Registered to BPAY Pty Ltd ABN 69 079 137 518

See overleaf for details and further instructions on how to complete and lodge this Entitlement and Acceptance Form.

**THIS IS A PERSONALISED FORM FOR THE SOLE USE OF THE SHAREHOLDER AND HOLDING RECORDED ABOVE.**

*Please detach and enclose with payment*



SRN/HIN:

Entitlement Number:

|   |  |  |
|---|--|--|
| <b>A</b> Number of New Shares accepted (being not more than your Entitlement shown above) | <b>B</b> Number of additional New Shares | <b>C</b> Total number of New Shares accepted (add Boxes A and B) |
| <input type="text"/>  | + <input type="text"/>                   | = <input type="text"/>   |

**D PLEASE INSERT CHEQUE, BANK DRAFT OR MONEY ORDER DETAILS** – Cheques, bank drafts or money orders must be drawn on an Australian branch of a financial institution in Australian currency, made payable to “Superior Resources Limited” and crossed “Not Negotiable”.

|                      |                      |                      |                      |                          |
|----------------------|----------------------|----------------------|----------------------|--------------------------|
| Drawer               | Cheque Number        | BSB Number           | Account Number       | Amount of Cheque         |
| <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | A\$ <input type="text"/> |

**E CONTACT DETAILS** – Telephone Number      Telephone Number – After Hours      Contact Name

|                      |                      |                      |
|----------------------|----------------------|----------------------|
| <input type="text"/> | <input type="text"/> | <input type="text"/> |
|----------------------|----------------------|----------------------|

# SUPERIOR RESOURCES LIMITED

The Entitlement Offer to which this Entitlement and Acceptance Form relates is not being made to investors located or resident outside of Australia and New Zealand. In particular the Entitlement Offer is not being made to any person in the U.S. or to a U.S. person. The Prospectus and Entitlement and Acceptance Form do not constitute an offer or invitation to acquire Shares in any place in which, or to any person to whom, it would be unlawful to make such an offer or invitation.

## ACCEPTANCE OF ENTITLEMENT OFFER

By either returning the Entitlement and Acceptance Form with payment to the Registry, or making payment received by BPAY®:

- you represent and warrant that you have read and understood the Prospectus and that you acknowledge the matters, and make the warranties and representations;
- you provide authorisation to be registered as the holder of New Shares acquired by you and agree to be bound by the Constitution of Superior Resources Limited.

## HOW TO APPLY FOR NEW SHARES

### 1. IF PAYING BY BPAY® (AVAILABLE TO SHAREHOLDERS WITH AN AUSTRALIAN BANK ACCOUNT ONLY)

If you elect to make payment using BPAY® you must contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. For more information on paying by BPAY®: [www.bpay.com.au](http://www.bpay.com.au)

Work out the total amount payable by you. To calculate the total amount, multiply the number of New Shares you wish to apply for by \$0.003.

Refer overleaf for the Biller Code and Reference Number. The Reference Number is used to identify your holding. If you have multiple holdings you will have multiple Reference Numbers. You must use the Reference Number shown on each personalised Entitlement and Acceptance Form when paying for any New Shares that you wish to apply for in respect of that holding.

### 2. IF PAYING BY CHEQUE, BANK DRAFT OR MONEY ORDER

Complete all relevant sections of the Entitlement and Acceptance Form USING BLOCK LETTERS. These instructions are cross referenced to each section of the Entitlement and Acceptance Form.

#### A. Acceptance of New Shares

Enter into section A the number of New Shares you wish to apply for. The number of New Shares must be equal to or less than your Entitlement, which is set out overleaf.

#### B. Application for Additional New Shares

You can apply for more New Shares than your Entitlement. Please enter the number of **additional** New Shares above your Entitlement for which you wish to apply into Box B. Your Application for additional New Shares may not be successful (wholly or partially). The decision of Superior Resources Limited on the number of New Shares to be allocated to you will be final. No interest will be paid on any Application Monies received or returned.

#### C. Total Number of New Shares Subscribed for

To calculate total number of New Shares subscribed for, add Box A and Box B and enter this in Box C.

#### D. Cheque, bank draft or money order details

Enter your cheque, bank draft or money order details in section D. Cheques, bank drafts or money orders must be drawn on an Australian branch of a financial institution in Australian currency, made payable to "Superior Resources Limited" and crossed "Not Negotiable". Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. If you provide a cheque or money order for the incorrect amount, Superior Resources Limited may treat you as applying for as many New Shares and Additional New Shares as your cheque, bank draft or money order will pay for.

#### E. Contact details

Enter your contact telephone number where we may contact you regarding your acceptance of New Shares, if necessary.

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## 3. HOW TO LODGE YOUR ENTITLEMENT AND ACCEPTANCE FORM

A reply paid envelope is enclosed for your use. No postage stamp is required if it is posted in Australia. Alternatively, if you have lost the reply paid envelope, or you have obtained the Prospectus electronically, your completed Entitlement and Acceptance Form with the payment for New Shares may be mailed to the postal address, set out below. **If paying by BPAY® you do not need to complete or return the Entitlement and Acceptance Form.** You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry by the close of the offer.

### Mailing Address

Superior Resources Limited  
C/- Link Market Services Limited  
GPO Box 3560  
Sydney NSW 2001

Make sure you send your Acceptance Slip and application payment allowing enough time for mail delivery, so Link Market Services Limited receives them no later than 5:00pm (AEST) on 18 June 2020. Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. Superior Resources Limited reserves the right not to process any Acceptance Slips and cheques received after the Closing Date.

**If you require further information on how to complete this Entitlement and Acceptance Form, please contact the Superior Resources Limited Offer Information Line on 1300 730 659 (within Australia) or +61 1300 730 659 (from outside Australia) between 8:30am and 5:30pm (AEST) Monday to Friday.**