

Appointment of highly experienced advisor for concentrate offtake negotiations

Highlights

- Mr Jay Gow has been appointed as an advisor to the Company regarding concentrate marketing
- Appointment follows significant interest from numerous global metal traders and smelters regarding the Project's concentrate
- Mr Gow is based in North America and has over 35 years' experience in base metals concentrate marketing, offtake and logistics
- The Project has demonstrated an ability to produce a highly desirable concentrate with favourable grades and minimal deleterious elements¹
- Initial discussions with potential offtakers has highlighted the opportunity to link offtake with project finance

Superior Lake Resources Limited (ASX: SUP) ("Superior Lake" or the "Company") is pleased to announce the appointment of Mr. Jay Gow as an advisor to the Company on its concentrate marketing.

Mr. Gow is based in North America and is highly regarded in the industry with over 35 years' experience working in base metals concentrate offtake negotiations and logistics. Mr. Gow has worked for several major producers across a number of continents, most recently as Vice President Marketing, Ivanhoe Mines on the world class Oyu Tolgoi Project.

This appointment follows a period of significant interest from major metal traders and smelters in the zinc and copper concentrates that Superior Lake has shown it can produce. Interest from metal traders has confirmed the potential for a portion of capital development funding to be linked to offtake.

Superior Lake CEO, David Woodall commented

"With the DFS on track for completion in the September Quarter, the project finance process progressing well, and the permitting and approval process on track, the engagement of Jay is consistent with our stated objective of commencing construction during the first half of next year. Owing to the exceptional quality of Superior Lake's zinc product, we have received strong interest from a range of parties. With Jay on board, we can now advance that interest both in terms of securing sales arrangements and supporting the project finance process."

¹ See ASX announcement "Outstanding study confirms Superior Lake as low-cost project" dated 10 October 2018. The Company confirms that it is not aware of any new information or data that materially affects the information in that announcement (save for the 200,000 tonnes increase in the Mineral Resource estimate announced on 7 March 2019), and that all material assumptions and technical parameters underpinning the production targets and forecast financial information based on production targets in that announcement continue to apply and have not materially changed. The inclusion of the 200,000 tonnes will not materially affect the throughput set out in the Restart Study.

Jay Gow commented on the concentrate and offtake options

"The high quality, clean zinc concentrates expected to be produced at Superior Lake will be extremely well received by the market and highly sought after. This is evident from initial discussions with a number of traders and smelters who have reached out for further information on the concentrate specifications."

"In North America there are currently four zinc smelters in operation (CEZinc smelter in Salaberry-de-Valleyfield, Quebec, HudBay Minerals in Flin Flon, Manitoba, Teck Resources in Trail, BC and Nyrstar in Clarksville, Tennessee) (Image 1 below). The concentrate produced at Superior Lake can readily access these smelters using existing rail and road infrastructure."

"Whilst local smelters typically have a cost advantage in comparison to international smelters due to transportation and logistical factors, Superior Lake's unique location and access to the Canadian rail network, which in turn provides access to the Canadian port system, both on the East and West coast, is expected to support significant interest from both European and Asian smelters."

Image 1: Location of North American smelters, rail and port terminals



Zinc and copper concentrate specifications

Prior to its closure in 1998 due to a sustained period of low zinc prices, the Superior Lake Project produced zinc and copper concentrates for a decade. The historical operation provided the Company with concentrates specifications as highlighted in Table 1 below.

These historical concentrates specifications were the primary source of information used by the Company in the Restart Study completed in October 2018. The Restart Study estimated the following concentrate production.¹

- Zinc concentrate – 88,000tpa of zinc concentrate (45,000t of contained zinc metal); and
- Copper Concentrate – 6,700 tpa copper concentrate (25% Cu, 11g/t Au and 310g/t Ag).

As part of the BFS, additional independent testwork is being completed by SGS Lakefield in Canada, primarily to complete confirmatory testwork on the fresh ore from the mid-Pick zone.

Table 1: Historical Winston Lake Detailed Zinc Concentrate Specifications

Element	Zinc Concentrate (%)	Copper Concentrate (%)
Fe	10.2	28.7
Cu	0.67	24.7
Ni	0.002	0.008
Pb	0.010	0.074
Zn	55.0	7.47
Bi	0.008	0.023
Cd	0.13	0.018
Cr	0.008	0.010
Co	0.010	0.019
Ge	0.002	0.002
In	0.033	0.011
Mn	0.15	0.024
Hg	0.0005	0.0003
Mo	<0.001	<0.001
As	<0.002	0.011
Sb	0.002	0.005
Sn	0.018	0.017
Se	0.032	0.030
Te	0.0001	0.0005
F	0.036	0.005
Cl	0.016	0.007
S	32.4	34.8
SiO ₂	0.44	1.10
Al ₂ O ₃	0.059	0.13
CaO	0.047	0.057
MgO	0.19	0.37
BaO	0.008	0.027
Au	0.39 g/t	12.9 g/t
Ag	41.2g/t	344 g/t

About the Company

Superior Lake Resources Limited

Superior Lake Resources Limited is focused on the redevelopment of the Superior Lake Zinc Project in North Western Ontario, Canada. The Project is a high-grade zinc deposit with a JORC resource of 2.35 Mt at 17.7% Zn, 0.9% Cu, 0.38 g/t Au and 34 g/t Ag.² A Restart Study completed in 2018, forecasted the Project will produce approximately 46,000tpa Zn with forecasted AISC of US\$0.51/lb.¹

Superior Lake Mineral Resource at 3% Zn cut-off grade					
Classification	Tonnage Mt	Zn%	Cu%	Au g/t	Ag g/t
Indicated	2.07	18.0	0.9	0.38	34
Inferred	0.28	16.2	1.0	0.31	37
Total	2.35	17.7	0.9	0.38	34

To learn more about the Company, please visit www.superiorlake.com.au, or contact:

David Woodall Chief Executive Officer +61 8 6143 6740

² ASX announcement 7 March 2019 "Increase in Superior Lake Mineral Resource". Superior Lake confirms that it is not aware of any new information or data that materially affects the information included in the announcement of 7 March 2019 and that all material assumptions and technical parameters underpinning the Mineral Resource estimate in the announcement of 7 March 2019 continue to apply and have not materially changed.