



December 18, 2012

TSX-V: SUI

NEWS RELEASE

SUPERIOR MINING ANNOUNCES AGREEMENT ON MANGALISA GOLD PROJECT

Vancouver, British Columbia: Superior Mining International Corporation, (the “Company” or “Superior”) is pleased to announce that it has executed an Earn-in Agreement with Ibhubesi Capital (Pty) Ltd (“Ibhubesi”), a private family investment Company with interests in mineral resources, energy and real estate, based in Johannesburg, South Africa pursuant to which Ibhubesi can acquire up to a 67% interest in the Company’s Mangalisa project.

The Company currently holds (indirectly through subsidiaries) an 87% interest in the Mangalisa project. The Earn-in Agreement is structured as a two-stage transaction.

In the first stage, Ibhubesi has agreed to acquire a 26.8% in the project for US\$1 million. This portion of the Earn-in is subject to a number of conditions, including: (a) regulatory approval in South Africa for the transfer of an interest in the Mangalisa project; (b) completion of due diligence by Ibhubesi; (c) TSXV acceptance; and (d) approval by the shareholders of the Company. The Company anticipates that this portion of the Earn-in will be completed in mid-January 2013.

In the second stage, Ibhubesi has agreed to purchase an additional 40.2% interest in the project for US\$1.5 million. This portion of the Earn-in is subject to a number of conditions, including: (a) regulatory approval in South Africa for the transfer of this interest in the Mangalisa project; (b) expenditure by Ibhubesi of at least \$5 million for exploration on the Mangalisa project; and (c) a determination by Ibhubesi that mining operations on the Mangalisa project are commercially viable. Ibhubesi will have up to 24 months to conduct prospecting operations, at Ibhubesi’s expense, on the Mangalisa project in order to determine if mining operations are commercially viable. If any of these conditions are not satisfied, the Buyer will not be obligated to complete this portion of the Earn-in.

Upon completion of the foregoing transactions, Ibhubesi will own a 67% indirect interest in the Mangalisa project and the Company will own a 20% indirect interest. The remaining 13% interest will be owned by an arm’s length South African party. Ibhubesi may negotiate separately with the owner of the 13% interest to acquire that interest, thereby increasing its interest to up to 80%. Upon completion of the acquisition of an interest in the project, the Company and Ibhubesi will operate the project as a joint venture.

The Mangalisa gold-uranium project lies over potential eastward extension of the western limb of the Witwatersrand basin that has produced over 1.8 billion ounces of gold over the last 100 years. The prospecting permit of 195.8 km² is located 25km east of the town of Welkom, Free State Province, Republic of South Africa.

The project southern boundary is approximately 10 km north of Harmony’s operating Masimong gold mine that produces approximately 138,000 ounces of gold annually. The project’s strike length is approximately 18 km long and remains to be one of the last significantly under-explored properties in the Free State goldfield.



Superior began exploring at Mangalisa in 2009 and was successful in intersecting a gold bearing quartz conglomerate typical of the reefs found the Witwatersrand basin. A press release on February 17th, 2009 announced the following significant results:

PG-1 / 12 776.32 - 776.77 (0.45 m) @ 45.8 g/t Au & 3.79 kg/t U
(Inc) 776.56 - 776.77 (0.21 m) @ 91.8 g/t Au & 7.24 kg/t U
PG-1 / 13 776.13 - 776.45 (0.32 m) @ 51.1 g/t Au & 4.27 kg/t U

During 2010, Superior attracted a joint venture partner that was also successful intersecting the reef. A press release on June 30th, 2011 announced the following result:

ERF -7 874.10 - 84.39 (0.29 m) @ 36.6 g/t Au & 0.24 kg/t U

A total of 10 cores from the 2009 and 2010 drill programs were drilled for 8,000m with 39 deflection holes drilled for 2,002m.

Due to limited funds, no further work was carried out and Superior began looking for another joint venture partner to advance the project. The mineralization remains open and a Phase 3 program has been planned.

Update on New Zealand

Superior has relinquished the last of its remaining gold alluvial projects in New Zealand. The Collingwood and Victory properties were surrendered while the Ross South Project was sold to a private Australian Company, Southland Agribusiness Holdings Pty Ltd, for AUD\$10,000 and a sliding scale royalty on production. The first year is at 7%, the second year at 3%, and the following year at 1%, and thereafter zero. Southland has considerable experience in the alluvial operations.

Superior will now continue to further explore its Redcastle project in Western Australia once the recent soil sampling results have been received and evaluated for drill targeting.

Superior will continue to review other opportunities to build on its current exploration portfolio.

Brent Butler, Chief Executive Officer and President, commented: *“This is a major milestone for the Company in attracting a well-funded local private Company that is keen to drill the already planned Phase 3 drill program. This also gives a significant boost to the Company’s treasury and allows the Company to focus on its Redcastle project.”*

On behalf of the Board of Directors of Superior Mining International Corporation

“Brent Butler”

Brent Butler
President & Chief Executive Officer



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