

IMPORTANT TAX NOTICE

Special U.S. Federal Income Tax Election is Available Regarding Your Investment in Superior Mining International Corporation

Shareholders who are U.S. taxpayers should be aware that Superior Mining International Corporation (“Superior”) believes that it was a PFIC in its fiscal year ended July 31, 2011 and based on current business plans and financial projections, expects to be a passive foreign investment company (“PFIC”) for its current fiscal year ending July 31, 2012, and expects that it may also be a PFIC in subsequent years.

The attached PFIC Annual Information Statement is being provided to you pursuant to Treasury Regulations Section 1.1295-1(g)(1). This PFIC Annual Information Statement contains information to enable you, should you choose, to elect to treat Superior as qualified electing fund (“QEF”). A U.S. shareholder does not have to make this election for shares held in his or her retirement account.

A U.S. shareholder who makes a QEF election is required to annually include in his or her income his or her pro rata share of the ordinary earnings and net capital gains of Superior, whether or not Superior distributes any amounts to its shareholders.

Superior did not have ordinary earnings or net capital gains for its taxable year ended July 31, 2011 and based on current business plans and financial projections, believes that it will not have ordinary earnings or net capital gains in any future years in which it may be a PFIC.

If you do not elect to treat Superior as a QEF, then if Superior is a PFIC for any year during your holding period, then you would be subject to the PFIC rules, which could result in adverse tax consequences to you. For example, if you were to receive a so-called “excess distribution” or if you sell your Superior stock in the future at a gain, you could be required to allocate such distribution or gain, as the case may be, ratably over the time period during which you held your stock while Superior was a PFIC, and pay tax at the highest rate (rather than, if otherwise applicable, the long-term capital gain rate) on ordinary income in effect for each year to which the gain is allocated plus interest on the tax.

The QEF election is made by completing and attaching Form 8621 to a U.S. federal income tax return filed by the due date of the return, as extended.

We strongly urge you to consult your own tax advisor for advice concerning the application of the U.S. federal income tax rules governing PFICs and whether it is advisable for you to make a QEF election or other election under the PFIC rules.

PFIC Annual Information Statement

(1) This Information Statement applies to the taxable year of Superior Mining International Corporation (the “Company”) ending on July 31, 2011.

(2) Each shareholder of the Company has the following pro-rata per share of the ordinary earnings and net capital gain of the Company for the taxable year of the Company specified in paragraph (1):

Ordinary Earnings:	\$0.00
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Net Capital Gain:	\$0.00
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(3) The amount of cash and fair market value of other property distributed or deemed distributed by the Company to each shareholder of the Company during the taxable year specified in paragraph (1) is as follows:

Cash:	\$0.00
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Fair Market Value of Property:	\$0.00
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(4) The Company will permit its shareholders to inspect and copy the Company’s permanent books of account, records, and such other documents as may be maintained by the Company that are necessary to establish that PFIC ordinary earnings and net capital gain, as provided in section 1293(e) of the Internal Revenue Code, are computed in accordance with U.S. income tax principles.

Superior Mining International Corporation

Brian Richardson, Chief Financial Officer

March 15, 2012