

# Superior Gold Inc. Announces First Quarter 2019 Production Results

## ***OPERATING IMPROVEMENTS RELATIVE TO 2018 GAINING MOMENTUM***

*(In US Dollars unless otherwise stated)*

TORONTO, April 18, 2019 /CNW/ - **Superior Gold Inc.** ("Superior Gold" or the "Company") (TSXV:SGI) announces detailed production results for the first quarter from the Company's 100%-owned Plutonic Gold operations, located in Western Australia.

### **FIRST QUARTER PRODUCTION DETAILS**

Production details are summarized in the table below.

<b>Operating Parameters<sup>1</sup></b>	<b>Three month period ended December 31, 2018</b>	<b>Three month period ended March 31, 2019</b>
Stope material mined (Tonnes)	136,285	124,230
Stope grade mined (g Au/t)	2.52	2.79
Development material mined (Tonnes)	46,565	71,133
Development grade mined (g Au/t)	1.58	1.75
Hermes material mined (g Au/t)	242,429	509,934
Hermes grade mined (Tonnes)	1.32	1.06
Hermes waste mined (Tonnes)	2,626,267	1,297,444
Surface material milled (Tonnes) <sup>2</sup>	259,487	223,063
Surface material grade (g Au/t) <sup>2</sup>	1.13	1.46
Total material milled (Tonnes)	450,588	414,880
Grade milled (g Au/t)	1.63	1.92
Gold recovery (%)	87%	88%
Gold Produced (ounces)	20,541	22,474
Gold Sold (ounces)	19,305	22,504
<b>Cash Balance (\$ Million)</b>	<b>17.5</b>	<b>16.2</b>

<sup>1</sup> Numbers may not add due to rounding.

<sup>2</sup> Surface material milled in Q418 and Q119 is primarily from Hermes but includes additional material totalling 95,800 tonnes (at 0.43 g Au/t) and 6,786 tonnes (at 0.36 g Au/t), respectively.

Chris Bradbrook, President and CEO of Superior Gold stated: "The first quarter of 2019 was important for the Company as we put in place measures to improve operational performance relative to both the fourth quarter and full year of 2018. These included improving both equipment availability and the underground stope grade and minimizing dilution. Despite the challenges from 2018 continuing into January, we saw improvements in all key areas as a result of implementing these changes. Relative to the fourth quarter of 2018, grades of stope and development ore increased by more than 10%. The grade of surface material milled increased by almost 30% and the grade of material milled increased by 18%. As a result, we were able to realize an improvement in gold production relative to the previous quarter.

For the first half of April, the stope grade has averaged in excess of 3 g Au/t which is the highest level since 2017. We finished the quarter with a strong cash balance of \$16.2 million and during the quarter we halted

the cash burn; both outcomes reflecting the effects of our ongoing operational improvements.

Mining at Hermes substantially exceeded the amount of material milled as we have built up a substantial stockpile of ore which enhances future operational flexibility. The lower grade of the Hermes material mined is reflective of this as the lower grade material was stockpiled, whilst higher grades were milled from Hermes relative to the previous quarter.

By the second half of the quarter, we were able to reestablish an annualized production rate in excess of 100,000 ounces.

During the first quarter of 2019, we attained cumulative production of more than 200,000 ounces of gold since we acquired the asset in October 2016. This is a significant achievement and is a testament to both the Company's commitment to the Plutonic Gold operations and the strength of the mineralized system at the Plutonic Gold mine. We are anticipating being able to provide a further reserve and resource update in the near future.

Subsequent to the quarter end, we announced the appointment of Keith Boyle as our new Chief Operating Officer. Prior to this announcement, Keith spent the second half of the first quarter on site in a consulting capacity and has made a measurable contribution to the operational improvements discussed above. As previously announced, he will be based at the Plutonic Gold operations for the foreseeable future."

The Company will be releasing complete financial and operating results for the first quarter before market open on May 14, 2019.

### **Qualified Person**

Scientific and technical information in this news release has been reviewed and approved by Pascal Blampain, who is a member of the AusIMM and the Australian Institute of Geoscientists (AIG) and a "qualified person" within the meaning of NI 43-101. Mr. Blampain is an employee of the Company and serves as Chief Geologist.

### **About Superior Gold**

Superior Gold is a Canadian based gold producer that owns 100% of the Plutonic Gold operations located in Western Australia. The Plutonic Gold operations include the Plutonic Gold mine and central mill, the Hermes open pit gold mine and an interest in the Bryah Basin joint venture. Superior Gold is focused on expanding production at the Plutonic Gold operations and building an intermediate gold producer with superior returns for shareholders.

### **Forward Looking Information**

This press release contains "forward-looking information" within the meaning of applicable securities laws that is intended to be covered by the safe harbours created by those laws. "Forward-looking information" includes statements that use forward-looking terminology such as "may", "will", "expect", "anticipate", "believe", "continue", "potential" or the negative thereof or other variations thereof or comparable terminology. Forward looking information in this news release includes, but is not limited to, the Company's objectives, goals or future plans, and statements regarding exploration results and exploration plans.

Forward-looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions of management at the date the statements are made. Furthermore, such forward-looking information involves a variety of known and unknown risks, uncertainties and other factors which may cause the actual plans, intentions, activities, results, performance or achievements of the Company to be

materially different from any future plans, intentions, activities, results, performance or achievements expressed or implied by such forward-looking information. See "Risk Factors" in the Company's prospectus dated February 15, 2017 filed on SEDAR at [www.sedar.com](http://www.sedar.com) for a discussion of these risks.

The Company cautions that there can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, investors should not place undue reliance on forward-looking information. Except as required by law, the Company does not assume any obligation to release publicly any revisions to forward-looking information contained in this press release to reflect events or circumstances after the date hereof.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Exchange) accepts responsibility for the adequacy or accuracy of this release.

SOURCE Superior Gold

For further information: Superior Gold Inc., Brian Szeto, Vice President Communications and Strategy, [investor@superior-gold.com](mailto:investor@superior-gold.com), Tel: 647-925-1293

---

<http://superiorgold.mediaroom.com/2019-04-18-Superior-Gold-Inc-Announces-First-Quarter-2019-Production-Results>