

Superior Gold Inc. Discovers New Intersection at Hermes South

9.30 G AU/T OVER 9.00 METRES

TORONTO, March 21, 2018 /CNW/ - **Superior Gold Inc.** ("Superior Gold" or the "Company") (TSX.V:SGI) is pleased to announce the discovery of a new intersection at its Hermes South project, which is located approximately 20 kilometres south southwest of the Hermes mining operation, which is in turn located 65 kilometres southwest of the Company's 100%-owned Plutonic gold mine in Western Australia [Figure 1](#).

The Hermes South project is within the Bryah Basin joint venture with Alchemy Resources Ltd. (ASX:ALY). The Company's interest in the joint venture is an earn-in option which, upon completion of the earn in (requiring expenditures of AUS\$1.2 million over three years), will give the Company an interest of up to 80% in the joint venture. In early 1988, it was the site of trial open pit mining (to a maximum depth of 20 metres) by Esmerelda Exploration Ltd. which processed approximately 2,722 ounces at the Horseshoe Lights operation 65 kilometres to the north. Reverse circulation and diamond core drilling was completed by Alchemy Resources in 2010 and additional air core and reverse circulation drilling was completed in 2012.



As part of the preparation for the calculation of an updated model for Hermes South, the Company conducted a review of the diamond drill core in order to obtain accurate specific gravity measurements. This work identified a number of holes (WGDC series) which had not been previously sampled. The first of these to be analyzed by the Company was hole WGDC006 which returned 9.30 g Au/t over 9.00 metres from 136.20 metres downhole. Holes WGDC003, 4, and 5 are also currently being sampled for analysis.

The location of these holes with respect to prior drilling is shown in plan and section in [Figures 2 - 4](#).

Chris Bradbrook, President and CEO of Superior Gold stated: "This is an exciting discovery for the Company as it raises the potential importance of Hermes South to our long term production profile. We are currently calculating a preliminary resource for the project using historic drilling and planning further drilling within the next month in order to determine the potential for the project to become a second open pit operation. It is strategically well located and can be readily connected to the main Hermes haul road. The preliminary resource will be included in the Company's reserve and resource update for the Plutonic mine, which we expect to release early in the second quarter of 2018. Holes WGDC003, 4, 5, and 6 will not be included in the preliminary resource. This work is part of our near-term growth strategy to focus on reestablishing the Plutonic Gold operations at a sustainable production level of at least 100,000 ounces of gold annually."

Table 1 – Co-ordinates for Hole WGDC006

Drill Hole #	Easting	Northing	RL	Dip (degrees)	Azimuth (degrees)	End of hole depth (m)	From (m)	To (m)	Intersection (m)	Au (gpt) uncut	Est. True Thickness (m)
WGDC006	685139	7155602	575	-60	24	180.2	136.2	145.2	9.00	9.30	9.00

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.

Quality Control Protocols

For WGDC series holes, core was drilled using HQ core diameter (42 mm). Core intervals are whole core sampled. All gold results were determined by ALS Minerals (Perth) using fire assay fusion (40g charge, lead collection method) with an ICP finish. Drill program design, Quality Assurance/Quality Control and interpretation of results are performed by qualified persons employing a Quality Assurance/Quality Control program consistent with NI 43-101 and industry best practices. Standards, blanks and duplicates are included in approximately every 20 samples for Quality Assurance/Quality Control purposes by the Company as well as the laboratory. Approximately 5% of sample pulps are sent to secondary laboratories for check assays.

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, which is a producing underground operation with a central mill, the Hermes open pit development project 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 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 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.

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