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Superior Gold Inc. Announces Fourth Quarter and Full Year 2017 Detailed Production Results and 2018 Guidance

INCREASING RECOVERIES

(In US Dollars unless otherwise stated)

TORONTO, Feb. 20, 2018 /CNW/ - **Superior Gold Inc.** ("Superior Gold" or "The Company") (TSX.V:SGI) is pleased to announce detailed production results for the fourth quarter and full year 2017 from the Company's 100%-owned Plutonic Gold Mine, located 800 kilometres north east of Perth, in Western Australia. The Company released initial basic production results on January 15, 2018.

2017 PRODUCTION DETAILS

Production details are summarized in the table below.

	Q4 2017	**Twelve Months ended Dec 31, 2017**
Stope material mined (Tonnes)	132,475	598,752
Stope grade mined (g Au/t)	3.72	3.88
Development material mined (Tonnes)	58,586	209,392
Development grade mined (g Au/t)	2.26	2.40
Surface material milled (Tonnes)	110,098	457,754
Surface material grade (g Au/t)	0.89	0.64
Total material milled (Tonnes)	307,166	1,272,944
Grade milled (g Au/t)	2.4	2.5
Gold recovery (%)	84%	80%
Gold Produced (ounces)	20,197	80,143
Gold Sold (ounces)	20,029	82,019

2018 GUIDANCE

Details of production and expenditure guidance for 2018 are summarized in the table below.

	Low	**High**
Production (oz of Gold)[1]	100,000	110,000
Cash Costs ($/oz)	$840	$890
All In Sustaining Costs ($/oz)[2]	$990	$1040
Exploration Expenditure (millions of $)[3]	$4.6m	
Sustaining Capital Expenditures (millions of $)	$5.7m	
Non Sustaining Capital Expenditures (millions of $)[4]	$1.7m	

[1] Production includes a contribution from Hermes prior to commercial production being declared.

[2] This is a Non-IFRS measure. Refer to Non-IFRS measures section of the Company's prior MD&A's for a description of these measures.

[3] Exploration expenditures are primarily for the first six months of 2018 – budget could increase with positive exploration results.

[4] Non sustaining capital expenditures are for installation of a gravity circuit aimed at increasing gold recoveries. Note that pre-production capitalized costs at Hermes are excluded as they are forecast to be largely offset by pre-production revenue.

Chris Bradbrook, President and CEO of Superior Gold stated: "The detailed production results highlight the strong operating performance achieved during the Company's first full year of operations at the Plutonic Gold Mine, during which we exceeded our annual 2017 production guidance of 75-80,000 ounces of gold. Of particular significance was the marked increase in recoveries to 84% in the fourth quarter in comparison to the average recovery of 78% in the first nine months of 2017. It is important to note that this increase in recoveries was achieved without the anticipated benefit from the gravity circuit which will be constructed during the first six months of 2018.

"Also during the quarter, a significant milestone was reached at Hermes where initial processing of mineralization commenced on schedule. Commercial production is expected in the first quarter of 2018. In preparation for the additional production, we have focused on various mill maintenance projects, which will be included in our All in Sustaining Costs for the fourth quarter. The contribution of the ore from Hermes is expected to allow us to reach our objective of increasing annual production to more than 100,000 ounces of gold. As a result we look forward to another strong year for 2018."

The Company will be releasing complete financial and operating results for the fourth quarter and full year for 2017 before market open on March 14, 2018.

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 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 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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