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Superior Gold Inc. announces underground drilling delivers highest grade intersection to date

INTERSECTIONS INCLUDE 4480.00 G AU/T OVER 0.30 METRES, 72.40 G AU/T OVER 2.70 METRES, 30.00 G AU/T OVER 6.00 METRES AND 502.00 G AU/T OVER 0.35 METRES, AND

10 INTERSECTIONS GREATER THAN 50 G AU/T

TORONTO, Jan. 17, 2018 /CNW/ - **Superior Gold Inc.** ("Superior Gold" or the "Company") (TSX.V:SGI) is pleased to announce additional results from the ongoing underground diamond drill program at its 100%-owned Plutonic Gold Mine in Western Australia. The drilling was conducted from late September to the end of November 2017 and is part of the year-round ongoing program of underground drilling.

Results are provided for 129 drill holes for a total of more than 11,000 metres. The drill holes were completed for resource definition and grade control purposes. Resource definition was designed to increase the confidence level of the resource in areas where drilling was limited as part of the ongoing work to upgrade resources to reserves. Grade control drilling was completed to provide additional information for stope design ahead of mining.

The drilling focussed on seven zones – Area 134; Caribbean; Caspian; Cortez; Indian; Pacific; and Timor. A number of significant intersections were encountered.

KEY FINDINGS

- 236 intersections encountered more than 5g Au/t
- 114 intersections encountered more than 10g Au/t
- 44 intersections encountered more than 20g Au/t
- 10 intersections encountered more than 50g Au/t
- The intersection of 4480.00g Au/t over 0.30 metres is the highest grade intersections encountered since the Company acquired the Plutonic Gold Mine in October 2016

The location of the most significant intersections are shown in Figure 1 and the details of all holes are summarized by zone in Table 2.

Chris Bradbrook, President and CEO of Superior Gold stated: "As with our previously released 2017 drill results, these latest results continue to demonstrate the strength of the mineralized system at the Plutonic Gold Mine. We continue to work towards increasing the confidence level in the resources in order to achieve one of our principal goals, which is to grow the level of underground reserves and to extend the mine life. The Company is currently working towards completing a reserve and resource update."

HIGHLIGHTS

The most significant intersections are summarized in Table 1 below:

Table 1 – Key Intersections

Designed Target	Drill Hole #	Easting (Mine Grid)	Northing (Mine Grid)	Drill hole collar RL (Mine Grid)	Dip (degrees)	Azimuth (degrees, Mine Grid)	End of hole depth (m)	Downhole From (m)	Downhole To (m)	Downhole Intersection (m)	Au (gpt) uncut	Est True Thickness (m)
AREA 134	UDD19851	4720	12328	1126	-45	209	67	55.30	60.90	5.60	7.4	3.9
						Including		55.30	57.10	1.80	13.6	1.3
	UDD19852	4720	12327	1126	-38	201	75	59.15	62.50	3.35	8.3	2.3
						Including		59.15	60.50	1.35	15.9	0.9
	UDD19854	4720	12328	1126	-46	196	70	58.40	60.10	1.70	17.1	1.2
						Including		58.40	59.25	0.85	21.9	0.6
	UDD19855	4720	12328	1126	-37	190	74	66.50	67.10	0.60	50.8	0.4
	UDD19858	4720	12328	1126	-28	174	72	45.70	47.70	2.00	24.8	1.4
						And		46.50	47.70	1.20	38.6	0.8
CARIBBEAN	UDD19839	4566	11937	1102	27	80	32	2.20	7.55	5.35	8.8	3.7
								30.30	32.00	1.70	16.4	1.2
CASPIAN	UDD19629	4710	11102	1276	26	214	41	33.95	35.00	1.05	23.2	0.7
	UDD19631	4742	11104	1278	17	227	63	46.70	51.10	4.40	7.5	3.1
						Including		46.70	47.70	1.00	16.8	0.7
	UDD19823	4796	11049	1269	-49	135	57	38.30	40.45	2.15	8.6	1.5
	UDD19862	4547	10954	1305	-20	20	5	1.85	2.70	0.85	55.9	0.6
CORTEZ	UDD19826	4958	12223	1178	40	64	129	97.40	103.30	5.90	28.9	4.1
	UDD19827	4956	12222	1180	78	45	80	51.05	55.65	4.60	14.7	3.2
						Including		52.10	53.95	1.85	31.7	1.3
	UDD19830	5022	12320	1173	43	102	32	5.70	8.70	3.00	9.5	2.1
						Including		7.30	8.70	1.40	16.2	1.0
	UDD19831	5021	12322	1172	38	83	29	14.60	20.60	6.00	30.0	4.2
						Including		14.60	15.30	0.70	46.5	0.5
						And		16.10	20.60	4.50	32.5	3.2
	UDD19832	5021	12323	1171	20	53	32	14.80	16.70	1.90	30.6	1.3
	UDD19833	5020	12324	1171	24	18	16	4.25	7.30	3.05	5.6	2.1
	UDD19840	4802	12229	1140	3	344	45	2.50	3.50	1.00	114.0	0.7

	UDD19842	4790	12230	1142	40	344	32	24.20	25.45	1.25	40.6	0.9
	UDD19846	4792	12226	1145	71	344	32	5.00	6.45	1.45	20.8	1.0
								22.10	23.35	1.25	34.5	0.9
	UDD19847	4792	12225	1145	90	344	34	1.95	5.30	3.35	6.5	2.3
								23.30	23.90	0.60	52.9	0.4
INDIAN	UDD19467	3988	11610	1088	53	154	119	111.50	111.85	0.35	502.0	0.2
	UDD19472	3951	11600	1085	61	339	53	15.80	16.80	1.00	27.5	0.7
	UDD19481	3879	11567	1073	45	339	72	40.25	40.55	0.30	4480.0	0.2
	UDD19596	4310	11350	1142	57	144	104	63.20	64.45	1.25	19.4	0.9
	UDD19791	4003	11452	1132	-25	170	174	81.80	83.05	1.25	51.8	0.9
	UDD19792	4003	11452	1132	-35	170	244	149.20	149.75	0.55	32.5	0.4
	UDD19794	4003	11452	1132	-40	180	206	61.30	62.20	0.90	144.0	0.6
	UDD19800	4002	11452	1131	-38	210	221	26.90	27.90	1.00	67.2	0.7
PACIFIC	UDD19674	4660	12735	1047	82	2	63	14.10	17.20	3.10	7.4	2.2
						Including		14.10	15.10	1.00	16.1	0.7
								41.90	42.70	0.80	48.1	0.6
	UDD19675	4660	12736	1047	67	359	63	4.00	5.40	1.40	14.7	1.0
	UDD19677	4665	12736	1047	58	6	62	7.25	9.70	2.45	8.3	1.7
								26.85	28.85	2.00	18.9	1.4
	UDD19678	4665	12736	1047	71	14	59	14.10	16.80	2.70	72.4	1.9
						Including		14.10	14.80	0.70	238.0	0.5
						And		15.80	16.80	1.00	28.5	0.7
	UDD19680	4667	12735	1048	66	91	77	8.30	10.60	2.30	9.6	1.6
	UDD19684	4667	12733	1048	72	134	62	11.70	12.85	1.15	20.8	0.8
	UDD19689	4624	12694	1073	68	88	63	36.35	36.70	0.35	45.4	0.2

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

Core is drilled BTW 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 industy 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.

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