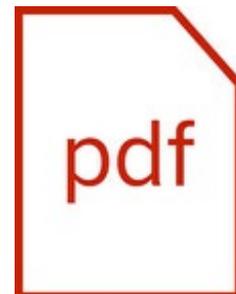


Superior Gold Inc. Commences Processing of Oxide Material

(In US Dollars unless otherwise stated)

TORONTO, July 18, 2017 /CNW/ - **Superior Gold Inc.** ("Superior Gold" or the "Company") (TSX.V:SGI) is pleased to announce that it has commenced processing of up to approximately 155,000 tonnes of oxide material at the Company's Plutonic Gold Mine, 800 kilometres north east of Perth, in Western Australia ([Figure 1](#)).

The material ("Sandfire Material") is stockpiled at Sandfire Resources NL's (ASX:SFR – "Sandfire") DeGrussa Copper Mine, located approximately 30 kilometres south of the Plutonic Gold Mine ([Figure 1](#)). Historic samples taken from this material have provided gold grades of between 0.6 gAu/t and 1.5 gAu/t. The Company will pay Sandfire \$7.80 (A\$10) per tonne of material removed from the DeGrussa Mine. The plan is to process the material at the Plutonic Gold Mine at the rate of approximately 30,000 tonnes per month.



Chris Bradbrook, President and CEO of Superior Gold stated: "The ability to purchase and process the Sandfire Material comes at a very opportune time. As stated in our press release dated July 11, 2017, we have begun development of the Hermes project, and expect to be processing mineralization from it by 2018. The Hermes mineralization is oxide material, while the underground mineralization at the Plutonic Mine is sulphide. We need to ensure an appropriate balance is maintained between the amounts of these two types of mineralization in order to maximize recoveries. Consequently, processing of the Sandfire Material for the remainder of 2017 will ensure we are able to optimize the relative proportions of oxide and sulphide mineralization once production commences at Hermes. The contribution of the mineralization from Hermes is anticipated to allow us to reach our annual production target of 100,000 ounces of gold."

Full details of the mineral reserves and mineral resources, and production targets, for the Plutonic Gold Mine and Hermes project are included in a NI 43-101 Technical Report dated February 13, 2017 (with an effective date of September 30, 2016) that can be found under the Corporation's profile on SEDAR (www.sedar.com) which was filed on February 15, 2017.

Outlook and Strategy

In the near term, the Company is focused on re-establishing the Plutonic Gold Operations as a stable gold producer capable of producing 100,000 ounces of gold annually. To achieve this goal, Superior Gold intends to focus on its growth strategy which includes:

- Focusing on quality high-grade ounces
- Optimizing recoveries
- Increasing incremental production from underground and open pit sources
- Resource and reserve additions through property wide exploration
- Leveraging the excess mill capacity

With the proceeds raised on the completion of the initial public offering, and the cash being generated by the Plutonic Gold Mine, the Company has the liquidity available to execute on its near-term growth and exploration strategy.

Qualified Person

Scientific and technical information in this press release has been reviewed and approved by Simon Lawson who is a member of the AusIMM and a "qualified person" within the meaning of NI 43-101. Mr. Lawson is an employee of the Company and serves as the 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, 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.

SOURCE Superior Gold

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<http://superiorgold.mediaroom.com/2017-07-18-Superior-Gold-Inc-Commences-Processing-of-Oxide-Material>