

## Superior Gold Inc. Announces Commencement of Hermes Development

*(In US Dollars unless otherwise stated)*

TORONTO, July 11, 2017 /CNW/ - **Superior Gold Inc.** ("Superior Gold" or the "Company") (TSX.V:SGI) is pleased to announce that it has commenced development of its 100% owned Hermes Project, which is located approximately 65 kilometres southwest of the Company's Plutonic Gold Mine, 800 kilometres north east of Perth, in Western Australia ([Figure 1](#)).

The first stage of development is the construction of the haul road which will connect the Hermes orebodies to the mill at the Plutonic Mine, where the ore will be processed. The contractor is currently mobilizing personnel and equipment to site, with work on the road scheduled to commence this week. The Hermes deposit will be mined as a conventional open pit operation. The contribution of the ore from Hermes is anticipated to allow Superior Gold to reach its targeted annual production of 100,000 ounces of gold.

The Company expects that construction of the haul road will take up to three months to complete. It will be accompanied by camp mobilization and followed by initial pre-stripping activities prior to the commencement of mining. Forecast capital expenditures for the remainder of 2017 at Hermes are approximately \$9.9 million. Pre-stripping will continue during the first quarter of 2018.

Chris Bradbrook, President and CEO of Superior Gold stated: "We are very pleased to have reached another key milestone in the evolution of the Company. The Hermes Project will become an important contributor to our production profile and we look forward to commercial production from Hermes in 2018. Additionally, we plan to commence drilling and exploration around Hermes to expand the overall mineral reserve and mineral resource and extend the mine life."

### Plutonic Gold Mine

For the two consecutive quarters since acquiring the Plutonic Gold Mine in October 2016, Superior Gold has produced 43,763 ounces of gold and generated \$12.8 million in free cash flow. For further information please see Press Release dated May 25, 2017 entitled "*Superior Gold Inc. Announces First Quarter 2017 Financial and Operating Results*" available on the Company's website at [www.superior-gold.com](http://www.superior-gold.com).

### 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](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., Chris Bradbrook, President, CEO & Director,  
[investor@superior-gold.com](mailto:investor@superior-gold.com), Tel: 416-716-8235

---

<http://superiorgold.mediaroom.com/2017-07-11-Superior-Gold-Inc-Announces-Commencement-of-Hermes-Development>