

Superior Gold Inc. Announces Approval to Commence Hermes Development

(In US Dollars unless otherwise stated)

TORONTO, June 21, 2017 /CNW/ - **Superior Gold Inc.** ("Superior Gold" or the "Company") (TSX.V:SGI) is pleased to announce that it has received approval from the Department of Mines and Petroleum ("DMP") of Western Australia to commence development and operation 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 final environmental approval for the Hermes Project included the Clearing Permit, which is valid from July 1, 2017, and as such ground disturbance/clearing can commence on that date.

Initially work will commence with the construction of the haul road, which will connect the Hermes orebodies to the mill at the Plutonic Mine, where it will be processed. The Hermes deposit is expected to be mined as a conventional open pit, contractor operated mining 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 anticipates that construction of the haul road will take up to three months to complete and will be followed by pre-stripping activities prior to the commencement of mining.

Chris Bradbrook, President and CEO of Superior Gold stated: "We are very pleased to have been granted approval to commence construction work on the Hermes project, on schedule, in July. We expect that the Hermes project will commence production in 2018, when it will become an important contributor to our current production profile. Additionally, we aim to commence drilling and exploration around Hermes to expand the overall mineral reserve and mineral resource and extend the mine life. We would like to thank Significant Environmental Services for assisting the Company with all environmental applications and submissions for the Hermes Project."

Full details about the mineral reserves and mineral resources for the Plutonic Gold Mine and Hermes 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.

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 entitled "*Superior Gold Inc. Announces First Quarter 2017 Financial and Operating Results*" available on the Company's website at 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 in 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.

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