



SUPERIOR GOLD ANNOUNCES COURT AWARDS IT THE ABILITY TO EARN UP TO 50% JOINT VENTURE INTEREST IN VANGO'S K2 TENEMENTS

Toronto, Ontario, March 14, 2022 – Superior Gold Inc. ("Superior Gold" or the "Company") (TSXV:SGI) (OTCMKTS:SUPGF) provides an update regarding the litigation between its wholly-owned subsidiary, Billabong Gold Pty Ltd ("Billabong") and Vango Mining Limited (ASX:VAN) and subsidiary Dampier (Plutonic) Pty Ltd (collectively, "Vango") with respect to tenements to the northeast of and separate from the Company's 100% owned Plutonic Gold mine.

As first disclosed in the Company's November 8, 2018, news release, Billabong claimed breaches by Vango of the terms of an Ore Treatment Agreement ("OTA"), under which Billabong held rights of first refusal ("ROFR") in respect of tenements within Vango's Plutonic Dome project in Western Australia ("Tenements"). Billabong claimed that these rights were breached with respect to certain of Vango's intended and actual transactions in 2016 and 2017, which purported to deal with one or more of the Tenements subject to the ROFRs.

Final orders were provided by the Supreme Court of Western Australia in Civil ("the Court") on February 11, 2022, whereby Superior Gold was largely successful in the litigation, with the Court agreeing that Vango breached its obligations under the OTA in respect of the 2017 transaction. While Superior Gold was not ultimately successful as regards the 2016 transaction, it has filed an appeal and remains confident that its position will ultimately prevail. A date for the appeal on the 2016 transaction has not yet been set.

Orders pertaining to 2017 Transaction

The Court ordered Vango to make offers to Billabong with respect to its K2 Tenements. On March 11, 2022, Billabong elected to accept the following binding offer, the key terms of which are:

- 1) Billabong may earn an interest in the K2 Tenements ("Farm-in Interest") by contributing up to the lesser of 50% of the Capital Expenditures ("CAPEX") or AUD\$3.0 million to the development of the K2 Tenements as agreed to by a committee consisting of equal numbers of Vango and Billabong representatives with each party entitled to one vote.
- 2) Billabong's Farm-in Interest shall be calculated on the basis of Billabong's contribution to CAPEX (\$X) as per the ratio of \$X/CAPEX or 50% (whichever is the lesser).
- 3) At the completion of Billabong's expenditure Vango must transfer to Billabong the legal and beneficial interest in the K2 Tenements equal in percentage to the Farm-in Interest.
- 4) Billabong and Vango may enter good faith negotiations to conclude a more detailed Mining Agreement that expressly includes a right for Billabong to be offered within 12 months from signing the Mining Agreement, the right to earn the same interest, and in the same manner as provided for above, over the other tenements acquired by Vango in 2016 from Dampier Gold Ltd (now Zuleika Gold Limited) that are to be developed by Vango.

Order Pertaining to Legal Costs

The Court also ordered Vango to pay 80% of Billabong's taxed costs of the proceedings, including all reserved costs.

Chris Jordaan, President, and CEO of Superior Gold stated that "the Court's decision and orders make clear that Vango's breach of its obligations has real-world consequences, not the least of which is the ability of Billabong to earn a joint venture interest in the K2 Tenement, and potentially over the other Tenements held by Vango. We trust that on appeal, Vango will also be found liable for its breach of the OTA in respect of the 2016 transactions. Both before and after the commencement of the proceedings, Billabong has been willing to engage in sensible discussions with Vango to come to an arrangement to unlock considerable and obvious value for both parties. While Billabong would have much preferred a commercial rather than legal outcome, Billabong hopes, in light of the decision and orders made against Vango, that Vango will see the sense in a commercial way forward."

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 underground gold mine and central mill, numerous open-pit projects including the Plutonic Main Pit push-back project, the Hermes open pit projects, 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.

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