

SUPERIOR GOLD INCREASES MINERAL RESERVES BY 66% AND INFERRED MINERAL RESOURCES BY 29% OFFERING EXTENDED MINE LIFE AND FURTHER GROWTH OPPORTUNITIES

(In US Dollars unless otherwise stated)

TORONTO, May 25, 2022 /CNW/ - **Superior Gold Inc.** ("Superior Gold" or the "Company") (TSXV: SGI) (OTCMKTS: SUPGF) is pleased to announce the updated Mineral Resource and Mineral Reserve estimates as at December 31, 2021, for its Plutonic Gold Operations located in Western Australia, which is comprised of the 100%-owned Plutonic underground and open pit gold mines, 100%-owned Hermes, and 80%-owned Hermes South open pit projects along with the Company's interest in the Bryah Basin joint venture.



Reserve and Resource CEO Video Update
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Comparisons are made to the prior Mineral Resource and Mineral Reserve estimates as described in the previously filed National Instrument 43-101 ("NI 43-101") report with an effective date of December 31, 2019.

Highlights of the 2021 Mineral Resource and Mineral Reserve Estimates:

- **Proven and Probable Mineral Reserves increased by 66% to 630 thousand ounces of contained gold**
- **Measured and Indicated Mineral Resources, inclusive of Mineral Reserves, increased by 2% to 1.92 million ounces of contained gold**
- **Inferred Mineral Resources increased by 29% to 3.97 million ounces of contained gold**
- **Further refined geological model utilizing three-dimensional modeling that now incorporates all historical geological data**

Chris Jordaan, President and CEO of Superior Gold stated: "We are extremely pleased to provide these updated Mineral Resource and Mineral Reserve estimates, which continue to deliver on our stated goal of further improving the quality of our resources and reserves, extending the mine life and maximizing the potential of the Plutonic Gold Operations.

The Mineral Resource and Mineral Reserve estimates for the Plutonic Gold Operations ("Plutonic") incorporate all available data from an expanded two-year exploration program in conjunction with historical geological data in a newly interpolated block model. We believe this objective approach to Mineral Resource estimation is an improved indicator of the future opportunities at Plutonic and is continued evidence that Plutonic is a large mineralized system with long-term potential at current assumptions.

We believe that the new interpolation methodology, described herein, better predicts the spatial distribution of the mineralization and grade estimation. As a result, Mineral Resources and Mineral Reserves have

been identified in areas previously disregarded. Our underground drilling continues to add Mineral Reserves and Inferred Mineral Resources and outlines new areas of mineralization in the Western Mining front, Baltic gap, and Indian access as reported during 2021."

Mineral Reserve Estimate

Mineral Reserves as at December 31, 2021 (See Table 1), were estimated using a long-term gold price of A\$1,950 per ounce (\$1,462 per ounce). Cut-off grades for the Mineral Reserves for Plutonic underground averaged 1.8 Au g/t (depending on the stoping area), and 0.5 Au g/t for the open pit areas located within a 40-kilometre radius of the Plutonic mill. Variable dilution rates averaging 20% were factored into the estimation of underground Mineral Reserves.

The increase in underground Mineral Reserves is predominantly a result of the inclusion of all relevant data in the updated resource block model and less constraining stope dimension criteria that identified more ore to be planned and scheduled in old remnant areas that had previously been disregarded. Mineral Reserves for Plutonic East were removed as a mine plan does not exist with updated modifying factors. Management expects that such a mine plan will be completed in 2022.

The open-pit Mineral Reserves have decreased since the previous December 31, 2019 estimates, because of the removal of Hermes and Hermes South open pits which have become uneconomic at today's costs and assumptions. Further work is required for these deposits, which management intends to conduct in 2022. The Main Pit extension was added to the Mineral Reserves this year from the Mineral Resources previously reported on December 31, 2019. The remaining Mineral Reserves which have been added this year were added from the conversion of the previously reported Inferred Mineral Resources to Measured and Indicated Resources then mined in 2021 from the A4 and Perch pits.

Table 1: Proven and Probable Mineral Reserves^{1 2}

	December 31, 2019			December 31, 2021		
	Tonnes (millions)	Grade (g Au/t)	Oz Au (000's)	Tonnes (millions)	Grade (g Au/t)	Oz Au (000's)
Underground						
Proven	1.10	4.4	150	2.49	3.8	307
Probable	1.50	3.7	180	2.66	3.5	301
Total	2.60	4.0	330	5.15	3.7	608
Open Pit						
Proven				0.23	1.8	13
Probable	1.35	1.1	50	0.18	1.6	9
Total	1.35	1.1	50	0.41	1.7	22
Grand Total	3.93	3.0	380	5.55	3.5	630

¹ Mineral Reserves are included within the Mineral Resources.

² All figures are rounded and use significant figures and numbers may not add correctly. Subtotals, totals, and weighted averages are calculated from quantities before rounding.

³ Long-term gold price used for Mineral Reserves A\$1,950 per ounce (\$1,462)

⁴ Open pit Mineral Reserves are estimated at a cut-off grade of 0.5 g/t Au within 40 kilometers of the Plutonic mill

⁵ Underground Mineral Reserves are estimated at a stoping cut-off grade averaging 1.8 g/t dependent on the mining area

⁶ Bulk density defined at 2.9 t/m³

The Mineral Reserve underground grade declined slightly relative to December 31, 2019. However, Mineral Reserve tonnage and ounces increased as a result of the change in modeling method and application of modifying factors (dilution and recovery) that more closely reflect actual mining grades achieved recently.

Mineral Resource Estimates

Mineral Resources as at December 31, 2021 (see Table 2 and Table 3), were estimated using the following assumptions:

- A long term gold price of A\$2,150 per ounce (\$1,612 per ounce);
- Cut off grades: 1.7 Au g/t for underground and 0.4 g Au g/t for open pits within a 40-kilometre radius from the Plutonic mill; and
- Pillars adjacent to existing mining voids that can no longer be mined were removed from the Mineral Resource as there is currently no reasonable expectation to be mined.

In management's view, the 29% increase in the Inferred Mineral Resource category is a result of improved geological continuity identified through modeling.

Table 2: Measured and Indicated Mineral Resources^{1 2}

	December 31, 2019			December 31, 2021		
	Tonnes (millions)	Grade (g Au/t)	Oz Au (000's)	Tonnes (millions)	Grade (g Au/t)	Oz Au (000's)
Underground						
Measured	3.45	5.5	590	4.68	4.8	728
Indicated	5.15	4.6	750	4.47	4.4	640
Total	8.61	5.0	1,330	9.15	4.6	1,368
Open Pit						
Measured	1.64	3.9	210	1.65	3.6	190
Indicated	6.02	1.8	350	6.41	1.8	366
Total	7.66	2.3	560	8.06	2.1	556
Grand Total	16.26	3.6	1,890	17.21	3.5	1,924

Table 3: Inferred Mineral Resources¹

	December 31, 2019			December 31, 2021		
	Tonnes (millions)	Grade (g Au/t)	Oz Au (000's)	Tonnes (millions)	Grade (g Au/t)	Oz Au (000's)
Underground						
Inferred	18.15	4.20	2,400	20.83	5.0	3,334
Open Pit						
Inferred	12.40	1.70	670	11.48	1.7	639
Grand Total	30.55	3.1	3,070	32.30	3.8	3,973

Notes for Tables 2 and 3:

¹ Mineral Resources are inclusive of Mineral Reserves.

² All figures are rounded and use significant figures. Subtotals, totals, and weighted averages are calculated from quantities before rounding.

³ Mineral Resource estimates for underground were at a 1.7 g/t cut-off and open pit at 0.4 g/t cut-off.

⁴ The reporting standard adopted for the reporting of the Mineral Resource estimate uses the terminology, definitions, and guidelines given in the CIM Standards on Mineral Resources and Mineral Reserves (Nov 2019) as required by NI-43-101.

⁵ Plutonic Underground Resources based on Deswik Mining Stope Optimizations using generalized Reserve MSO input parameters and/or restricted 'grade shell' reported Resources. Open Pit Resources based on simplified pit optimization parameters.

Reinterpretation of Geological Model at Plutonic

This Mineral Resource estimate was part of a larger, comprehensive program of re-examining the geological modeling of the gold mineralization at Plutonic. Historically, the Company inherited a block model process at Plutonic that utilized open block models, unconstrained by wireframes. In 2019, as part of the Plutonic block model continuous improvement program, the Company introduced constraining wireframes (a traditional manual CAD-based system) as part of its estimation process and the Company's December 31, 2019,

Mineral Resource and Mineral Reserve estimates utilized constrained wireframes of the block models representing 80% of the Mineral Resource ounces. During 2020 and 2021, this continuous improvement project was further advanced as Plutonic geologists began creating dynamic three-dimensional ("3D") geological models to facilitate an improved understanding of the Plutonic orebody, which was further validated through production reconciliations.

Historically, actual production from the Plutonic underground mine has been mined extensively outside of the mineral reserves, and more specifically it is estimated approximately 90% since Superior acquired the asset in 2017 has been mined outside of reserves. The historical geological modeling process was labor-intensive, time-consuming, and included human-biased modeling variability. Given the extensive work and re-work involved in interpretations and estimations, it was also frequently a bottleneck to production and operational efficiency. In order to address these issues, a revised approach to the geological modeling process was considered early in 2021. The revamped geological modeling process that uses modern, leading-edge software allows for more predictive planning and production forecasts, and a reduction in the production cycle from geological drilling, modeling, estimation, and planning, from the development stage to production. The efficiency and accuracy of the entire modeling and estimation process have improved by using highly confident structural measurements obtained from oriented diamond drill holes and mapped development drives. In addition, the auditing and reconciliation process has been simplified with a seamless workflow tied closely with the datasets, making the modeling results repeatable, auditable, and data traceable.

Since the acquisition of Plutonic in 2016, the Company's focus has always been on better understanding the mineralization controls to better predict mined tonnes and grade. The Company's focus is also on upgrading pre-existing Inferred Mineral Resources to the Measured and Indicated category and adding further Mineral Resources. The Company is very pleased to have demonstrated that the Plutonic

underground deposit remains open in multiple directions including at depth.

The Company was successful in adding and converting a total of 30 thousand ounces to the Measured and Indicated Mineral Resources through the drill bit in the Western Mining Front at Baltic West and in the Baltic Gap area. Management intends to continue the Company's proactive program of underground drilling to further define new areas of mineralization and upgrade Inferred Mineral Resources to Indicated and Measured Resources.

Previously publically announced mineral exploration results, up to and including those announced on November 29, 2021, are included in this Mineral Resource estimate.

Technical Reports

An updated NI 43-101 Technical Report effective December 31, 2021, will be available on the Company's SEDAR profile at www.sedar.com within 45 days of this press release.

Qualified Persons

Mr. Etienne Du Plessis (BSc, MBA), a Member of the Australasian Institute of Geosciences (AIG) and a "qualified person" within the meaning of NI 43-101, has approved disclosure of the Mineral Resource estimates' technical information and data. Mr. Du Plessis is the Chief Geologist and full-time employee of Superior Gold Inc.

Karel Steyn (AEng BCom MSc), a Chartered Professional Member of the AusIMM (CP) and a "qualified person" within the meaning of NI 43-101, has approved disclosure of the underground Mineral Reserve estimates' technical information and data. Mr. Steyn is an employee of Superior Gold and conducted the estimate and design of the Mineral Reserves for the underground Plutonic Gold Mine based on the Mineral Resource estimates as of December 31, 2021.

Russell Cole, a Fellow of the AusIMM (FAUSIMM) and a "qualified person" within the meaning of NI 43-101, has approved the disclosure of the open pit Mineral Reserve estimates' technical information and data. Mr. Cole is an employee of Superior Gold and supervised the estimate and design of the Mineral Reserves for the open pit Plutonic Gold Mine based on the Mineral Resource estimates as of December 31, 2021.

As detailed above, the Qualified Persons who have approved the disclosure of the scientific and technical information in this press release are not independent of the Company within the meaning of NI 43-101.

Reliability of Resource and Reserve Estimates

The Technical Report does not form the basis of a feasibility study or a pre-feasibility study under the Canadian Institute of Mining, Metallurgy and Petroleum's "CIM Definition Standards for Mineral Resources and Mineral Reserves" incorporated by reference into NI 43-101. As an operating mine, the Plutonic Gold Mine is supported by information that exceeds the accuracy expected from a feasibility study.

Statements relating to mineral reserves or mineral resources are deemed to be forward-looking information as they involve the implied assessment, based on certain estimates and assumptions that the mineral reserves and mineral resources described can be profitably mined in the future. Mineral resources that are not mineral reserves do not have demonstrated economic viability. The Company's mineral resources and mineral reserves estimates described in this press release are only estimates and no assurance can be given that the anticipated tonnages and grades will be achieved, that the indicated level of recovery will be realized, or that mineral reserves will be mined or processed profitably. Mineral resource and mineral reserve estimates may require downward adjustments or revisions based on gold price fluctuations, grades, further development activity, increased production costs or reduced recovery rates, new information or modeling adjustments, changes to laws and regulations affecting

operating costs, and the fiscal environment. If actual mineral reserves and mineral resources are less than current estimates, the Company's results of operations or financial condition may be materially and adversely affected."

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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Forward Looking Information

This news release contains "forward-looking information" within the meaning of applicable securities laws that are 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 includes information with respect to guidance as to projections, outlook, guidance, forecasts, estimates, and other statements regarding future or estimated financial and operational performance, gold production and sales, revenues and cash flows, and capital costs (sustaining and non-sustaining), including projected cash operating costs and all-in sustaining costs) as well as statements with respect to the mine plan, exploration, drilling, operating, and organizational matters and

activities relating to the Plutonic Gold Operations and the Company generally, including its liquidity and capital requirements and financial results, the completion of the updated mine plan for Plutonic East, the commencement of the work on the Hermes and Hermes South open pits and the continuation of the proactive program of underground drilling. By identifying such information in this manner, the Company is alerting the reader that such information is subject to known and unknown risks, uncertainties, and other factors that may cause the actual results, level of activity, performance, or achievements of the Company to be materially different from those expressed or implied by such forward-looking information.

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. Readers are encouraged to refer to the Annual Information Form of the Company for a discussion of other risks including outbreaks or threats of outbreaks of viruses, other infectious diseases, or other similar health threats, such as the novel coronavirus outbreak, which could have a material adverse effect on the Company by causing operational and supply chain delays and disruptions, labour shortages, shutdowns, inflationary pressures on operating or capital costs, the inability to sell gold, capital markets volatility or other unknown but potentially significant impacts. The Company cannot accurately predict what effects these conditions will have on the Plutonic Gold Operations or the financial results of the Company, including uncertainties relating to travel restrictions to the Plutonic Gold Operations or otherwise and business closures that have been or may be imposed by governments. If an outbreak or threat of an outbreak of a virus or other infectious disease or other public health emergency occurs, it could

have a material adverse effect on the Company's business, financial condition, and results of operations.

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 as no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur, and if any of them do so, what benefits the Company will derive therefrom. Except as required by law, the Company does not assume any obligation to release publicly any revisions to forward-looking information contained in this news 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) accept responsibility for the adequacy or accuracy of this release.

Modeling Methodology Change for Updated Reserve and Resource Explained

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