



SUPERIOR GOLD INC. REPORTS MINERAL RESERVES AND MINERAL RESOURCES FOR YEAR ENDED 2019

RESOURCES GROW SIGNIFICANTLY

CONTINUED EVIDENCE THAT PLUTONIC IS A LARGE MINERALIZED SYSTEM WITH LONG TERM POTENTIAL

(In US Dollars unless otherwise stated)

Toronto, July 21, 2020 – Superior Gold Inc. (“Superior Gold” or the “Company”) (TSXV:SGL) is pleased to announce the updated Mineral Reserve and Mineral Resource estimates as at December 31, 2019 for its Plutonic Gold Operations located in Western Australia, which are comprised of the 100%-owned Plutonic underground gold mine and 100%-owned Hermes open pit gold project, along with the Company’s interest in the Bryah Basin joint venture.

Comparisons are made to the prior Mineral Reserve and Mineral Resource estimates as described in the previously filed National Instrument 43-101 (NI 43-101) report dated July 30, 2019.

Highlights of the 2019 Mineral Reserve and Resource Estimates:

- 29% increase in Total Measured and Indicated Resources to 1.59 million ounces gold
- 55% increase in Total Inferred Resources to 2.82 million ounces gold

Chris Bradbrook, President and CEO of Superior Gold stated: “We are extremely pleased to be able to provide this updated Mineral Reserve and Mineral Resource estimate, which continues to deliver on our stated goal of increasing resources, extending the mine life and maximizing the potential of the Plutonic Gold Operations.

As announced in our Press Release dated May 12, 2020, because of the progress made with the comprehensive Mineral Resource estimate for the Plutonic Gold Operations (“Plutonic”), we decided to include it as part of our annual Reserve and Resource estimate. The comprehensive Mineral Resource estimate incorporates historic intersections encountered outside of the main underground working areas which have not previously been interpreted and included in a Resource statement. We believe it is this comprehensive Mineral Resource estimate which is the best indicator for the future of Plutonic and is continued evidence that Plutonic is a large mineralized system with long term potential.

This comprehensive Mineral Resource estimate was part of a larger program of re-examining the geological modelling of the gold mineralization at Plutonic. Historically, the Plutonic underground mine has not mined to reserve grade, and one of the primary goals of this latest Reserve and Resource estimation was to allow for more predictive planning and improved production forecasts.

Prior Mineral Reserve and Resource estimations utilized open block models and the Company inherited Reserve and Resource models and estimates that required further evaluation and definition. Our

experience with the Plutonic mine has demonstrated that open block models are not the most accurate method to identify the distribution of mineralization and tend to overestimate grade.

We continue to refine and improve our Mineral Reserve and Resource estimation for Plutonic. This year's Reserve and Resource estimates have utilized additional geologically constrained wire-framed models which we believe better predict the grade and distribution of the mineralization. As a result, whilst our Reserve and Resource grades have declined, our confidence in the distribution of the mineralization, and our expected ability to mine to reserve grade, and therefore improved profitability, has increased. Since we acquired Plutonic, our focus has been on better understanding the mineralization through the upgrading of pre-existing Inferred Mineral Resources to Measured and Indicated and by adding Inferred Mineral Resources outside of that to demonstrate that the Plutonic underground deposit remains open in multiple directions including at depth. We are very pleased with our progress in this respect.

We will continue our aggressive program of underground drilling to both further upgrade Inferred Mineral Resources to Measured and Indicated and outline new areas of mineralization. In particular, we will focus on better defining and expanding the new high grade mineralization which was announced in our Press Releases dated December 10, 2019, February 10, 2020, June 17, 2020 and June 24, 2020 for the Baltic, Baltic Deeps and Indian Zones with intersections of up to 56.3 g Au/t over 15.10 metres (as announced on June 17, 2020 in the Press Release titled "Superior Gold Inc. Announces Best Underground Exploration Intersection to Date Outside of Existing Resources").

Additionally, given the substantial increase in Mineral Resources, we will be examining the potential to increase the rate of underground production."

Mineral Reserves as at December 31, 2019 were estimated using a long term gold price of A\$1,925 per ounce (\$1,348 per ounce). Cut off grades for the Mineral Reserves for Plutonic underground were 2-3 g Au/t (depending on stoping area), and 0.4 g Au/t for the open pit areas. Dilution of 15% was factored into the estimation of underground Mineral Reserves. Mineral Resources as at December 31, 2019 were estimated using a long term gold price of A\$2,150 per ounce (\$1,505 per ounce). Cut off grades for the Mineral Resource estimates were 1.50 g Au/t for underground and 0.40 g Au/t for open pit.

Mineral Reserve Estimates

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

	December 31, 2018			December 31, 2019		
	Tonnes (millions)	Grade (g Au/t)	Oz Au (000's)	Tonnes (millions)	Grade (g Au/t)	Oz Au (000's)
Underground						
Proven	1.23	4.82	191	1.07	4.40	150
Probable	1.03	4.61	152	1.51	3.70	180
Total	2.26	4.73	343	2.58	4.00	330
Open Pit						
Probable	1.51	1.32	64	1.35	1.10	50
Stockpiles						
Proven	0.23	0.94	7	-	-	-
Grand Total	4.00	3.22	414	3.93	3.00	380

¹ Mineral Reserves are included within the Mineral Resources.

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

The underground grade declined relative to the year end 2018 Mineral Reserves as a result of the change from the prior use of open block models to those based on geologically controlled wire-framed models. Additionally, the increase in the allowance for underground dilution to 15% (compared to 10% used for the December 31, 2018 reserve estimate) negatively impacted the reserve grade compared to the prior year.

Mineral Resource Estimates

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

	December 31, 2018			December 31, 2019		
	Tonnes (millions)	Grade (g Au/t)	Oz Au (000's)	Tonnes (millions)	Grade (g Au/t)	Oz Au (000's)
Underground						
Measured	1.78	7.66	437	3.69	5.50	650
Indicated	2.95	5.94	564	5.54	4.60	820
Total	4.73	6.59	1,001	9.23	5.00	1,470
Open Pit						
Measured						
Indicated	4.70	1.46	221	2.69	1.40	120
Total	4.70	1.46	221	2.69	1.40	120
Stockpiles						
Measured	0.23	0.94	7	-	-	-
Grand Total	9.65	3.96	1,229	11.92	4.20	1,590

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.

Table 3: Inferred Mineral Resources¹

	December 31, 2018			December 31, 2019		
	Tonnes (millions)	Grade (g Au/t)	Oz Au (000's)	Tonnes (millions)	Grade (g Au/t)	Oz Au (000's)
Underground						
Inferred	10.45	4.90	1,645	19.45	4.20	2,640
Open Pit						
Inferred	4.00	1.40	180	4.73	1.20	180
Grand Total	14.45	3.93	1,825	24.19	3.60	2,820

¹ All figures are rounded and use significant figures. Subtotals, totals, and weighted averages are calculated from quantities before rounding.

Open Pit Mineral Reserves and Resources

The open pit Reserves and Resources are for Hermes, Hermes South and Plutonic East only. The estimations for the Workshop, Salmon and Trout pits are ongoing.

Technical Reports

An updated NI 43-101 Technical Report effective December 31, 2019 will be available on the Company's SEDAR profile at www.sedar.com within 45 days of this press release.

Qualified Persons

Stephen Hyland is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM) and a member of the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) and a “qualified person” within the meaning of NI 43-101, and has approved disclosure of the ‘Mineral Resource estimates’ and related technical information and data. Mr. Hyland is employed by Hyland Geological and Mining Consultants (HGMC) and has been engaged on the basis of professional association between client and independent consultant. He is independent of the Company within the meaning of NI 43-101.

Matthew Keenan (BEng BCom MSc) is a 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. Keenan is an employee of Entech Pty Ltd who were engaged by the Company to assist in the estimate and design of the Mineral Reserves for the underground Plutonic Gold Mine based on the Mineral Resource estimates as of December 31, 2019. He is independent of the Company within the meaning of NI 43-101.

Ashutosh Srivastava B. Tech. (Mining Engineering), is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM) and a “qualified person” within the meaning of NI 43-101, has approved disclosure of the open pit Mineral Reserve estimates’ technical information and data. Mr. Srivastava is an employee of Superior Gold Inc. as Alternate Quarry Manager who was tasked by the Company to assist in 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, 2019. He is not independent of the Company within the meaning of NI 43-101.

As detailed above, with the exception of the open pit Mineral Reserve estimates, The Qualified Persons who have approved the disclosure of the sections of the Technical Report referred to above and the scientific and technical information elsewhere in this press release are independent of the Company within the meaning of NI 43-101.

Reliability of Reserve and Resource 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 Reserves and Mineral Resources” 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 Reserve and mineral Resource 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 modelling 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, which is a producing underground operation with a central mill, 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 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 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. In addition, The Company is exposed to outbreaks or threats of outbreaks of viruses, other infectious diseases or other similar health threats, including the novel coronavirus ("COVID-19") outbreak, which could have a material adverse effect on the Company by causing operational and supply chain delays and disruptions, labour shortages, shutdowns, 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. 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.