

NEWS RELEASE 18-03

February 13, 2018

**PURE GOLD INTERSECTS 26.4 G/T GOLD OVER 12.7 METRES AT MADSEN**  
***Underground drilling in close proximity to Madsen ramp exceeds expectations***

VANCOUVER, B.C. – Pure Gold Mining Inc. (PGM – TSX-V) (“Pure Gold” or the “Company”) is pleased to announce that underground drilling continues to confirm mineralization within the mineral resource and expand the mineralized zones at its 100% owned Madsen Gold Project (“Madsen”). Recent drilling, designed to test mineralization in close proximity to the planned test mining and bulk sample location, has exceeded expectations returning exceptional widths and grades.

Release highlights:

- Infill drilling has confirmed resources in close proximity to the Madsen ramp and locally demonstrated significantly increased widths and grades with **26.4 g/t gold over 12.7 metres** returned from drill hole PGU-0051;
- Multiple new underground drill holes have expanded the known mineralization outside of the current mineral resource, including **20.0 g/t gold over 3.8 metres** from hole PGU-0044 within the McVeigh mineral domain and **10.5 g/t gold over 2.0 metres** from PGU-0037 within the South Austin mineral domain;
- Underground drilling is set to commence within the week while surface drilling designed to expand the newly discovered Wedge Target and test down dip extensions of the Russet South deposit is ongoing.

“Underground drilling continues to highlight growth potential in the near surface mineral resource at Madsen” said Darin Labrenz, President and CEO of Pure Gold. “Recent drilling in an area designated for near term test mining demonstrates that the upper portions of the mineral resource have potential for locally increased widths and grades. In addition, infill drilling has demonstrated clear potential for expansion of the mineral resource. This expansion has potential to enhance the initial gold production profile for Madsen. Our underground work program is designed to de-risk and support a robust underground mining operation at Madsen, while our exploration program continues to deliver opportunities for expansion scenarios and highlight the scalability of the Madsen Gold Project.”

**Broad Zones of High Grade Gold Mineralization Close to Madsen Ramp**

Drill hole PGU-0051 targeted an area scheduled for test mining and bulk sampling in the second quarter of 2018 as part of the Company’s ongoing definitive feasibility study. This hole returned **26.4 g/t gold over 12.7 metres** (11 metres true width), including **46.3 g/t gold over 6.8 metres** in an area approximately 30 metres south of and contiguous with previously reported drill hole PGU-0028 which returned **19.4 g/t gold over 9.8 metres** (see news release dated November 16, 2017).

Drilling from the Madsen ramp has also demonstrated the potential for the mineral resource to expand, with drill hole PGU-0044 intersecting **20.0 g/t over 3.8 metres**, including **60.8 g/t gold over 1.0 metre** 190 metres below surface and outside of the mineral resource. Drill holes PGU-0037, PGU-0045, PGU-0047, and PGU-0058 also support potential mineral resource extensions with each drill hole intersecting gold mineralization outside of the current resource.

**2018 Exploration Drilling**

Exploration drilling on the property is ongoing with surface drilling targeting down dip expansions of the mineral resource at the Russet South deposit, and expanding the mineralized zones at the newly discovered Wedge Target. The Company is highly encouraged by results of recent drilling at the Wedge Target which outlined shallow gold mineralization over a strike distance of 800 metres, including 33.3 g/t gold over 8.3 metres in the Wedge-CK and 21.3 g/t gold over 10.3 metres in the Wedge-DV (see news release dated January 31, 2018). To date, an additional 11 drill holes have been completed in the Wedge-DV mineralized zone, with assay results pending.

An underground drill rig is also being mobilized with drilling from underground set to commence within the week. In total, 33,000 metres of diamond drilling has been budgeted with drilling focussed on expanding known resources and the discovery of new gold deposits.

### Drill Results Summary

New assay results from select drill holes are outlined below:

Hole ID	From (m)	To (m)	Length (m)	Gold (g/t)	Zone
PGU-0037	69.0	71.0	2.0	10.5	South Austin
PGU-0044	176.2	180.0	3.8	20.0	McVeigh
<i>incl.</i>	<i>176.2</i>	<i>177.2</i>	<i>1.0</i>	<i>60.8</i>	
PGU-0045	138.0	139.5	1.5	8.2	McVeigh
PGU-0046	119.1	120.1	1.1	8.4	McVeigh
	134.0	135.0	1.0	120.9	McVeigh
PGU-0047	260.0	261.3	1.3	10.9	McVeigh
PGU-0051	56.2	68.9	12.7	26.4	McVeigh
<i>incl.</i>	<i>56.2</i>	<i>62.9</i>	<i>6.8</i>	<i>46.3</i>	
PGU-0053	105.1	108.0	2.9	6.8	McVeigh
<i>incl.</i>	<i>107.0</i>	<i>108.0</i>	<i>1.0</i>	<i>12.2</i>	
PGU-0054	87.1	88.5	1.4	47.4	McVeigh
PGU-0056	78.2	81.2	3.0	4.8	McVeigh
<i>Incl.</i>	<i>79.2</i>	<i>80.2</i>	<i>1.0</i>	<i>10.5</i>	
	84.0	87.0	3.0	5.0	McVeigh
PGU-0057	89.0	91.0	2.0	13.8	McVeigh

*\*Assay composites were calculated using uncut assays and true widths are interpreted to vary from 70-90% (80%, on average) of reported core lengths above.*

For a figure showing the location of drill results, click link below:

<http://puregoldmining.ca/sites/default/files/Drill-Result-Figure-12022018.pdf>

For a complete list of 2017 drill results to date, click link below:

<http://puregoldmining.ca/sites/default/files/2017-DH-Intercepts-Table-February-12.pdf>

## **ABOUT MADSEN**

The Madsen Gold Project has historic production of 2.5 million ounces of gold and remains one of the highest-grade, undeveloped gold projects in the world.<sup>1</sup> With an indicated resource of 1,744,000 ounces gold at 8.7 g/t gold (in 6.2 million tonnes) and an inferred resource of 296,000 ounces gold at 7.9 g/t gold (in 1.2 million tonnes), the Project benefits from existing infrastructure including a mill and tailings facility, paved highway access, and access to power, water and experienced labour.<sup>2</sup> A feasibility study is underway with results expected in the fourth quarter of 2018 and the Madsen Gold Project is firmly on the path to becoming Ontario's next gold mine.

(1) Sourced from the Natural Resource Holdings Global Gold Mines & Deposit Ranking of 2013

(2) See the National Instrument 43-101 technical report entitled "Technical Report for the Madsen Gold Project - Restated Preliminary Economic Assessment and Initial Satellite Deposit Mineral Resource Estimates" with an effective date of December 14, 2017 for complete details, available on the Company's website at [www.puregoldmining.ca](http://www.puregoldmining.ca) or Sedar profile at [www.sedar.com](http://www.sedar.com).

## **QA/QC and Core Sampling Protocols**

Drill core samples are bagged and sealed and submitted to SGS in Red Lake, Ontario for sample preparation by crushing to 75% less than 2mm, a riffle split of 1kg, and pulverization of the split to better than 85% passing 75 microns. Gold analysis is completed in the SGS Red Lake lab with a 30g fire assay and AAS finish (code GE-FAA313). Samples returning >5 g/t Au are re-assayed with a gravimetric finish (code GO-FAG303). Mineralized zones with visible gold are also analyzed by a 1kg screen fire assay with screening to 106 microns (code GO-FAS51K). Two 30g fire assays are conducted on the screen undersize and combined with an assay of the entire oversize fraction. Control samples (accredited standards and non-accredited blanks) were inserted on a regular basis. Results are assessed for accuracy, precision and contamination on an ongoing basis.

## **Qualified Persons and 43-101 Disclosure**

Phil Smerchanski, P. Geo., Vice President, Exploration for the Company, is the designated Qualified Person for this news release within the meaning of National Instrument 43-101 ("NI 43-101") and has reviewed and verified that the technical information contained herein is accurate and approves of the written disclosure of same.

## **ABOUT PURE GOLD**

Our mandate is pure and simple. To dream big. To colour outside the lines. To use smart science and creativity to unlock the next major discovery at the Madsen Gold Project in Red Lake, Ontario. And become Canada's next iconic gold company.

Additional information about the Company and its activities may be found on the Company's website at [www.puregoldmining.ca](http://www.puregoldmining.ca) and under the Company's profile at [www.sedar.com](http://www.sedar.com).

## ON BEHALF OF THE BOARD

"Darin Labrenz"

**Darin Labrenz, President & CEO**

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*All statements in this press release, other than statements of historical fact, are "forward-looking information" with respect to Pure Gold within the meaning of applicable securities laws, including, but not limited to statements with respect to those that address potential quantity and/or grade of minerals, potential size and expansion of a mineralized zone, proposed timing of exploration and development plans. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "planned", "expect", "project", "predict", "potential", "targeting", "intends", "believe", "potential", and similar expressions, or describes a "goal", or variation of such words and phrases or state that certain actions, events or results "may", "should", "could", "would", "might" or "will" be taken, occur or be achieved. 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 including, among others, assumptions about future prices of gold and other metal prices, currency exchange rates and interest rates, favourable operating conditions, political stability, obtaining governmental approvals and financing on time, obtaining renewals for existing licences and permits and obtaining required licences and permits, labour stability, stability in market conditions, availability of equipment, accuracy of any mineral resources, successful resolution of disputes and anticipated costs and expenditures. Many assumptions are based on factors and events that are not within the control of Pure Gold and there is no assurance they will prove to be correct.*

*Such forward-looking information, involves known and unknown risks, which may cause the actual results to be materially different from any future results expressed or implied by such forward-looking information, including, risks related to the interpretation of results at the Madsen Gold Project; changes in project parameters as plans continue to be refined; current economic conditions; future prices of commodities; possible variations in grade or recovery rates; the costs and timing of the development of new deposits; failure of equipment or processes to operate as anticipated; the failure of contracted parties to perform; the timing and success of exploration activities generally; delays in permitting; possible claims against the Company; labour disputes and other risks of the mining industry; delays in obtaining governmental approvals, financing or in the completion of exploration as well as those factors discussed in the Annual Information Form of the Company dated June 16, 2017 in the section entitled "Risk Factors", under Pure Gold's SEDAR profile at [www.sedar.com](http://www.sedar.com).*

*Although Pure Gold has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Pure Gold disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise unless required by law.*