

NEWS RELEASE 18-02

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PURE GOLD MAKES HIGH GRADE DISCOVERY SOUTH OF THE MADSEN MINE
Drilling returns 33.3 g/t gold over 8.3 metres starting at surface

VANCOUVER, B.C. – Pure Gold Mining Inc. (PGM – TSX-V) (“Pure Gold” or the “Company”) announced today the discovery of multiple new zones of high grade gold mineralization located approximately three kilometres by road south of the Madsen milling infrastructure. This important new discovery, referred to as the Wedge Target, outcrops at surface, adds 1,100 metres of strike length to the Madsen Mine trend, and clearly highlights an exciting new area for potential resource expansion and underlines the inherent scalability of the Madsen Gold Project (“Madsen”).

Drilling highlights:

- Near surface mineralization has been intersected in multiple targets in the Wedge area with high grade gold mineralization returned over a strike distance of more than 800 metres. Mineralization in the Wedge target area outcrops at surface and is open for expansion;
- On the south end of the Wedge, multiple drill holes have intersected high grade gold, including **33.3 g/t gold over 8.3 metres** from hole PG17-467 and **24.2 g/t gold over 1.0 metre** from drill hole PG17-468;
- Drilling has also tested the Wedge target to the west, returning **12.1 g/t gold over 2.0 metres** from drill hole PG17-474;
- Approximately 500 metres to the north drilling has returned multiple intercepts, with **21.3 g/t gold over 10.3 metres** and **10.7 g/t gold over 4.2 metres** returned from drill hole PG17-486, **25.2 g/t gold over 2.1 metres** and **22.0 g/t gold over 2.0 metres** from drill hole PG17-482 and **27.8 g/t gold over 1.4 metres** and **19.4 g/t gold over 2.0 metres** from drill hole PG17-470;

Surface drilling is ongoing with the Company currently targeting plunge and strike extensions of these zones with the goal of developing another near surface satellite resource as well as testing for significant tonnage potential along the Wedge.

“The results delivered today clearly define the growth opportunities and scalability of the Madsen Gold Project.” said Darin Labrenz, President and CEO of Pure Gold. “Our team interpreted the gold-bearing structures which host the Madsen gold deposit and extend south through the Fork deposit to continue into the Wedge Target. This interpretation has been validated with the discovery of near-surface gold mineralization with exceptional widths and grades in three new mineralized zones south of the Madsen deposit. With mineralization outcropping at surface and wide open for expansion, the Wedge target represents an excellent opportunity to add meaningful resources to the existing mining project.”

Geologic Interpretation Delivers Near Surface Gold South of the Madsen Deposit

Initial drilling in the Wedge area was based on Pure Gold’s geologic interpretation which suggested gold-bearing structures controlling mineralization at Madsen and Fork continued southward into the Wedge area (see figure). The geology of the Wedge area is a southward continuation of the Madsen host rocks, and

mineralization in the Wedge-CK and Wedge-DV zones is contained within blue-gray quartz veins within an altered basalt package that is transected by a major mineralized structure. Intercepts drilled to date have shown mineralization to be present at surface, and open for expansion. At the Wedge-DV mineralized zone, gold mineralization occurs in a quartz vein stockwork, with individual veins up to two metres in apparent width and associated with strong alteration. Mineralization in this area outcrops, is open, and demonstrates good continuity with drilling intersecting the gold structure over a 180 metre strike length. Highlights include drill hole PG17-486 which returned **21.3 g/t gold over 10.3 metres** including **50.6 g/t gold over 4.2 metres**.

The Wedge-CK mineralized zone located 500 metres south of, and on strike with the Wedge-DV, is characterized by the same geology and is highlighted by drill hole PG17-467 which returned **33.3 g/t gold over 8.3 metres** including **73.4 g/t gold over 2.1 metres** and including **41.5 g/t gold over 2.8 metres**.

The Wedge-MJ mineralized zone is interpreted as a possible analog of known deposits on the same Russet Ultramafic contact, including the 8 Zone and Russet South deposits. Drill hole PG17-474, returning **12.1 g/t gold over 2.0 metres**, highlights the potential of this geologic contact in the Wedge area.

2018 Exploration Drilling

2018 drilling commenced at Madsen in January, with two surface rigs currently active on the project and underground drilling set to begin in mid-February. With clear potential for the Wedge target to develop into new satellite resources, drilling is underway with the goal of expanding these mineralized zones both down plunge and along strike. The Russet South – 8 Zone deposit corridor remains a key priority for Pure Gold and a second drill rig is currently testing down-dip of the Russet South deposit. A total of 33,000 metres of diamond drilling has been budgeted with drilling focussed on expanding known resources and the discovery of new gold deposits.

2018 Mine Planning

A definitive feasibility study for the Madsen Gold Deposit has initiated with metallurgical, plant, infrastructure, and development studies proceeding. Results are expected in the fourth quarter of 2018. Environmental baseline and permitting updates are also underway. A production decision is expected in late 2018.

Drill Results Summary

New assay results from select drill holes are outlined below:

Hole ID	From (m)	To (m)	Length (m)	Gold (g/t)	Target (Zone)
PG17-467	12.5	20.8	8.3	33.3	Wedge (CK)
<i>incl.</i>	12.5	14.6	2.1	73.4	
<i>and incl.</i>	16.9	19.7	2.8	41.5	
	27.0	28.0	1.0	11.8	
PG17-468	13.4	14.4	1.0	24.2	Wedge (CK)
PG17-470	94.0	95.4	1.4	27.8	Wedge (DV)
<i>incl.</i>	100.1	102.1	2.0	19.4	
	100.1	101.1	1.0	37.5	

PG17-474	170.0	172.0	2.0	12.1	Wedge (MJ)
PG17-476	139.8	141.5	1.7	6.5	Wedge (MJ)
PG17-482	29.5	31.8	2.3	9.1	Wedge (DV)
	34.8	36.9	2.1	25.2	
	40.4	42.4	2.0	22.0	
PG17-486	16.7	27.0	10.3	21.3	Wedge (DV)
<i>incl.</i>	<i>21.0</i>	<i>25.2</i>	<i>4.2</i>	<i>50.6</i>	
	37.0	46.0	9.0	5.3	
<i>incl.</i>	<i>37.0</i>	<i>41.2</i>	<i>4.2</i>	<i>10.7</i>	
PG17-487	10.9	11.9	1.0	9.3	Wedge (DV)
PG17-488	81.8	82.7	0.9	9.0	Wedge (DV)

**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 set of figures showing the setting of drill results, click link below:

<http://puregoldmining.ca/sites/default/files/Drill-Result-Figures-31012018.pdf>

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

<http://puregoldmining.ca/sites/default/files/2017-DH-Intercepts-Table-January-31.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.¹ 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.² 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 or Sedar profile at 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 and under the Company's profile at www.sedar.com.

ON BEHALF OF THE BOARD

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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.

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.