

NEWS RELEASE 16-06

April 11, 2016

PURE GOLD INTERSECTS 56.2 g/t GOLD OVER 1.3 METRES AT RUSSET SOUTH, MADSEN GOLD PROJECT

VANCOUVER, B.C. – Pure Gold Mining Inc. (PGM – TSX-V) (“Pure Gold” or the “Company”) is pleased to announce results from drilling at Russet South located on the Company’s 100% owned Madsen Gold Project (“Madsen”). These holes are part of the ongoing 16,000 metre drill program designed to test and build continuity of high grade gold mineralization at Russet South and, as previously reported, within the McVeigh horizon which is in close proximity to the mine infrastructure.

“These exciting new results from Russet South continue to demonstrate the near-surface, high-grade gold endowment of the Madsen Gold Project,” said Darin Labrenz, President and CEO of Pure Gold. “Our goal is to unlock the exploration potential of the Madsen Project by concurrently advancing satellite targets such as Russet South, while drill testing the expansion potential of the Madsen Mine mineral resource, as was recently reported on April 4, 2016 from the McVeigh horizon. The presence of high grade gold mineralization at Russet South coupled with a new model for high grade expansion within the McVeigh horizon of the Madsen Mine, provide a compelling exploration opportunity.”

Russet South is a high grade gold occurrence that lies approximately 1.5 kilometres west of the McVeigh horizon and associated Madsen mine infrastructure. While the current drill program is prioritized on potential resource expansion within the McVeigh, a smaller subset of drilling has been allocated to the Russet South area where earlier drilling and channel sampling by Pure Gold defined high grade gold at three separate targets. These targets share a similar geologic environment to Madsen’s high grade 8 Zone resource which is situated 1.6 kilometres down dip on the same geologic contact as the near surface Russet South targets. In 2015, Pure Gold drill testing of the northernmost of the three targets (“Alpha”) returned 8.2 g/t gold over 11.0 metres from hole PG15-028 and 9.5 g/t over 3.5 metres from hole PG15-027¹.

Drilling reported herein has further established the presence of a wide zone of alteration, veining and gold mineralization within a folded contact zone. All six holes reported today tested the Alpha target and include higher grade intervals of:

- **56.2 g/t gold over 1.3 metres** in hole PG16-067
- **22.1 g/t gold over 3.5 metres** in hole PG16-069
 - Including **36.9 g/t gold over 1.8 metres**

“The reported high grade gold intervals represent a 25 metre lateral step out on our discovery holes at Alpha from 2015. While we continue to delineate and gain understanding of the mineralization at Russet South, we are highly encouraged that our predictive targeting is proving successful. Folded geologic contacts across the property, including those that host the 8 Zone at depth and Alpha near surface, remain high priority targets for us,” said Phil Smerchanski, Director, Geoscience of Pure Gold.

Assay results from six drill holes targeting Alpha at Russet South are highlighted in the table below:

Russet South – Alpha Target Significant Assay Results*

Hole ID	From (m)	To (m)	Length (m)	Au (g/t)	Zone
PG16-067 <i>incl.</i>	111.4	115.4	4.0	2.9	Alpha
	114.9	115.4	0.5	15.0	
	128.0	129.3	1.3	56.2	Alpha
	159.1	160.3	1.2	4.4	Alpha
PG16-069 <i>incl.</i>	183.5	187.0	3.5	22.1	Alpha
	185.2	187.0	1.8	36.9	
PG16-070	No Significant Results				Alpha
PG16-072	86.0	87.3	1.3	2.2	Alpha
	101.0	101.5	0.5	10.6	Alpha
PG16-074	120.2	120.6	0.4	1.9	Alpha
	184.1	185.7	1.6	1.8	Alpha
	210.0	210.7	0.7	2.3	Alpha
PG16-077	130.0	135.0	5.0	2.2	Alpha
	202.5	203.0	0.5	2.7	Alpha
	270.7	271.5	0.8	4.5	Alpha

**Assay composites were calculated using uncut assays and are reported as drilled widths and interpreted to vary between 80% to 100% of true widths.*

Approximately 2,700 metres of diamond drilling has been completed this season in 20 drill holes at the Russet South discoveries. With the completion of the winter phase of drilling at Russet South, the drill rig will join Pure Gold’s other rig at the McVeigh horizon, where drilling is targeting down plunge extensions of high grade gold mineralization below the existing mine workings at shallow depths. To date a total of approximately 6,715 metres of diamond drilling has been completed in 30 drill holes testing the McVeigh horizon and the upper portions of the Austin horizon at the Madsen Mine site. Additional results from drill holes at both the Russet South area and McVeigh horizon are pending.

For a figure showing the location of Russet South relative to McVeigh, please click here:

<http://puregoldmining.ca/sites/default/files/Russet-South-Location-Figure.pdf>

For a plan map showing the Russet South drilling, please click here:

<http://puregoldmining.ca/sites/default/files/Russet-South-Plan-Map-04-11-2016.pdf>

For a cross section showing drill results from Russet South, please click here:

<http://puregoldmining.ca/sites/default/files/Russet-South-Cross-Section-04-11-2016.pdf>

For a complete list of 2016 drill results to date, please click here:

<http://puregoldmining.ca/sites/default/files/2016-DH-Intercepts-Table-April-11.pdf>

As previously reported, the Company has engaged Nordmin Engineering Ltd. to complete a Preliminary Economic Assessment (“PEA”) of the Madsen Gold Project. The base-case assessment is designed to minimize capital expenditures by employing existing infrastructure and resources, and is based on throughput of 500 tpd. Pure Gold is in receipt of permits to allow expansion of the existing mill facility to more than double this rate. The study is underway with results anticipated within the current quarter.

ABOUT MADSEN

The Madsen Mine operated for over 36 years with historic production of 2.5 million ounces at an average grade of 9.9 g/t gold. The Madsen Gold Project hosts an operational head frame, a permitted mill and tailings facility, and access to power, water and labour. The Madsen Gold Project has an Indicated Resource of 928,000 ounces gold at 8.93 g/t Au (in 3.24 million tonnes) and an Inferred Resource of 297,000 ounces gold at 11.74 g/t Au (in 0.79 million tonnes)². The mineral resource is based on 13,624 drill holes, evenly dispersed throughout the mineral resource. A robust geologic model based on 27 levels of geological mapping and chip sampling provides a solid understanding of continuity of mineralization.

In addition to the mineral resource, the Madsen Gold Project hosts a number of highly prospective new discoveries including the Fork Zone and Russet South targets. Pure Gold believes the opportunity exists to advance these near-surface, high-grade exploration targets through the application of modern exploration science and a new understanding of the district.

(1) See press release dated March 2, 2015. (2) See the National Instrument 43-101 technical report entitled “Technical Report for the Madsen Gold Project Red Lake, Ontario, Canada,” prepared by SRK Consulting (Canada) Inc. dated effective February 18, 2014. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.

QA/QC and Core Sampling Protocols

Drill core samples were submitted to ALS Minerals in Thunder Bay, Ontario for sample preparation by crushing to 70% less than 2mm, rotary split of 1kg, and pulverization of the split to better than 85% passing 75 microns. Sample pulps are shipped to the ALS assay laboratory in North Vancouver, B.C. for gold analysis with a 30 gram fire assay and AAS finish (code Au-AA23). Samples returning >5 g/t Au are re-assayed with a gravimetric finish (code GRA21). Mineralized zones with visible gold are also analyzed by a 1kg screen fire assay with screen to 100 microns. A duplicate 30g fire assay is conducted on the screen undersize while assaying of entire oversize fraction (code Au-SCR21). Control samples (accredited standards and blanks) were inserted on a regular basis.

Qualified Persons and 43-101 Disclosure

Phil Smerchanski, P. Geo., Director, Geoscience 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

"Darin Labrenz"

Darin Labrenz, President & CEO

Investor inquiries:

Tel: 604-646-8000

info@puregoldmining.ca

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 4, 2015 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.