

NEWS RELEASE 16-16

June 14, 2016

PURE GOLD INTERSECTS 31.3 G/T GOLD OVER 3.7 METRES INCLUDING 54.1 G/T GOLD OVER 2.0 METRES AT THE MCVEIGH HORIZON, MADSEN GOLD PROJECT

VANCOUVER, B.C. – Pure Gold Mining Inc. (PGM – TSX-V) (“Pure Gold” or the “Company”) is pleased to announce additional drill results from the McVeigh horizon, located on the Company’s 100% owned Madsen Gold Project (“Madsen”). Results reported herein represent the final set of results from the initial 16,000 metre program, which is now complete. As previously announced, the Company has begun an expanded exploration program that will include an additional 35,000 metres of drilling. The ongoing work is designed to test and advance new interpretations of near-surface targets in close proximity to the existing mining infrastructure.

“Drilling to date indicates that the McVeigh horizon is open for resource expansion along strike and at depth, below historical mining depths of 230 metres,” stated Darin Labrenz, President and CEO of Pure Gold. “The opportunity for resource growth at relatively shallow depths is rare in a historic mining project such as this. We believe the McVeigh horizon has similar potential to the parallel Austin horizon which was mined from surface to a depth of 1,200 metres over a two kilometre strike length.”

Highlights from infill and step-out drilling on the one kilometre long McVeigh horizon include:

- **40.1 g/t gold over 1.2 metres** in hole PG16-110
- **31.3 g/t gold over 3.7 metres** in hole PG16-112
 - Including **54.1 g/t gold over 2.0 metres**
- **14.2 g/t gold over 5.0 metres** in hole PG16-122
 - Including **28.5 g/t gold over 2.1 metres**

New assay results from select drill holes testing the McVeigh horizon are outlined below:

Hole ID	From (m)	To (m)	Length (m)	Gold (g/t)	Zone
PG16-108	172.0	180.2	8.2	6.0	Austin
<i>incl.</i>	<i>174.0</i>	<i>178.0</i>	<i>4.0</i>	<i>10.5</i>	
PG16-110	291.5	292.7	1.2	40.1	McVeigh
PG16-111	202.7	204.7	2.0	5.2	McVeigh
PG16-112	281.3	285.0	3.7	31.3	McVeigh
<i>incl.</i>	<i>281.3</i>	<i>283.3</i>	<i>2.0</i>	<i>54.1</i>	
PG16-115	166.7	168.7	2.0	7.5	Austin
PG16-117	275.7	278.9	3.2	5.7	McVeigh
PG16-117	289.0	291.5	2.5	8.5	McVeigh
<i>incl.</i>	<i>290.5</i>	<i>291.5</i>	<i>1.0</i>	<i>20.1</i>	
PG16-117	320.0	322.0	2.0	11.5	McVeigh

PG16-119	123.1	130.0	6.9	4.4	McVeigh
<i>incl.</i>	<i>124.0</i>	<i>127.2</i>	<i>3.2</i>	<i>7.1</i>	
PG16-121	140.5	146.3	5.8	5.7	McVeigh
<i>incl.</i>	<i>142.0</i>	<i>144.8</i>	<i>2.8</i>	<i>10.2</i>	
PG16-122	8.3	9.3	1.0	30.1	Austin
PG16-122	128.5	133.5	5.0	14.2	McVeigh
<i>incl.</i>	<i>130.6</i>	<i>132.8</i>	<i>2.1</i>	<i>28.5</i>	

**Assay composites were calculated using uncut assays and are reported as drilled widths and interpreted to vary between 55% to 90% of true widths.*

The current targeting strategy is focused on extending known and discovering new shoots of gold mineralization within the McVeigh horizon along a one kilometre corridor. The results of our drilling confirm that the McVeigh horizon is a fold continuation of the Austin horizon with the mineralization of the McVeigh horizon sharing the same characteristics and similar widths and grades as the parallel Austin horizon which produced over two million ounces of gold from surface to a depth of 1,200 metres.

Pure Gold has initiated an expansion of the 2016 exploration program, including an additional 30,000 metres of drilling targeting down plunge extensions of gold mineralization below the historical mine workings in the McVeigh Horizon and 5000 metres on satellite target zones. The Company is further accelerating this program with the addition of a third drill rig. Results from the program will continue to be released as available.

For a long section showing the McVeigh horizon drill results, please click here:
<http://puregoldmining.ca/sites/default/files/McVeigh-Long-Section-06.14.2016.pdf>

For a complete list of 2016 drill results to date, please click here:
<http://puregoldmining.ca/sites/default/files/2016-DH-Intercepts-Table-June-14.pdf>

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 gold (in 3.24 million tonnes) and an Inferred Resource of 297,000 ounces gold at 11.74 g/t gold (in 0.79 million tonnes)¹. 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 the geology and 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, as well as, two significant historic underground mines. 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 the National Instrument 43-101 technical report entitled "Technical Report on the Preliminary Economic Assessment For the Madsen Gold Project," prepared by Nordmin Engineering Ltd., dated effective April 20, 2016. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.

QA/QC and Core Sampling Protocols

Drill core samples are submitted to ALS Minerals in Thunder Bay, Ontario for sample preparation by crushing to 70% less than 2mm, a 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 30g 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 screening to 100 microns. A duplicate 30g fire assay is conducted on the screen undersize with assaying of the entire oversize fraction (code Au-SCR21). Control samples (accredited standards and non-accredited blanks) were inserted on a regular basis. Results are assessed for precision 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

"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.