

NEWS RELEASE 16-03

March 1, 2016

PURE GOLD INTERSECTS 16 g/t GOLD OVER 7.0 METRES AT MADSEN AND ANNOUNCES INCREASE OF CURRENT DRILL PROGRAM TO 16,000 METRES

VANCOUVER, B.C. – Pure Gold Mining Inc. (PGM – TSX-V) (“Pure Gold” or the “Company”) is pleased to report results from the first four drill holes targeting the McVeigh horizon located on the Company’s 100% owned Madsen Gold Project (“Madsen”), in Ontario’s Red Lake gold district. These initial holes are part of Pure Gold’s ongoing drill program designed to test and advance new interpretations of near-surface high-grade targets, in close proximity to the historic mine.

Over the past six months the Company has compiled and analyzed the digitized historic geology, drilling and mining data of Madsen’s parallel Austin and McVeigh mineralized horizons. The Austin horizon was the principal source of mine feed for the Madsen Mine, which was in operation for more than 30 years. During this time, well over two million ounces of gold was produced from surface to a depth of 1,200 metres, at a historic production rate of approximately 170,000 ounces of gold per 100 vertical metres. The parallel McVeigh horizon only saw limited near-surface production with a maximum mining depth of approximately 230 metres.

“These initial drilling results confirm that the McVeigh horizon hosts broad shoots of high-grade gold mineralization. Importantly, current drilling strongly suggests there is a tremendous opportunity to expand this mineralized zone. We believe that the McVeigh horizon is open at depth, and based on our success to date, we are adding a second drill rig and expanding our Phase 1 drill program,” said Darin Labrenz, President and CEO of Pure Gold.

Assay results from the first four drill holes testing Central McVeigh have been received and are highlighted in the table below:

McVeigh Target Significant Assay Results*

Hole ID	From (m)	To (m)	Length (m)	Au (g/t)	Zone
PG16-054	2.2	14.1	11.9	6.5	Austin
	304.0	305.7	1.7	11.4	McVeigh
PG16-055	3.8	15.0	11.2	11.5	Austin
	<i>incl.</i> 3.8	<i>11.0</i>	<i>7.2</i>	<i>16.7</i>	
PG16-056	2.3	4.0	1.7	4.1	Austin
	119.0	128.3	9.3	11.3	McVeigh
	<i>incl.</i> 119.0	<i>125.0</i>	<i>6.0</i>	<i>16.3</i>	
PG16-057	hole abandoned				
PG16-058	153.0	160.0	7.0	16.0	McVeigh
	<i>incl.</i> 153.9	<i>156.0</i>	<i>2.1</i>	<i>45.5</i>	
	201.8	206.1	4.3	4.7	McVeigh
	215.0	222.0	7.0	9.9	McVeigh

**Assay composites were calculated using uncut assays and are reported as drilled widths and interpreted to vary between 75% to 100% of true widths.*

Since January, approximately 3,000 metres of diamond drilling has been completed in 10 drill holes at Madsen. This initial drilling is designed to test the continuity of steeply plunging mineralized shoots within the McVeigh horizon to a maximum depth of approximately 300 metres below surface. Geologically, the mineralized shoots of the McVeigh horizon share the same characteristics and similar widths and grades as the parallel Austin horizon, and the Company believes there is significant potential to expand the mineralization at McVeigh. Given this, the Company intends to increase and accelerate the current drill program with the addition of a second drill rig and an additional 10,000 metres of drilling, for a total of 16,000 metres¹. A limited portion of this expanded drilling program will be allocated towards near surface expansion of the high grade Russet South discoveries, located 1.5 kilometres from the Madsen Mine headframe.

For a long section showing the McVeigh horizon drill results, please click here:

http://www.puregoldmining.ca/sites/default/files/McVeigh_Long_Section_1603.pdf

For a plan map showing the McVeigh horizon drill results, please click here:

http://www.puregoldmining.ca/sites/default/files/Austin-McVeigh_Plan_Map_1603.pdf

ABOUT MADSEN

The historic Madsen Mine operated for over 36 years with historic production of 2.5 million ounces grading 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, the majority being underground holes evenly dispersed throughout the mineral resource, and a robust geologic model based on 27 levels of geological mapping and sampling.

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 where drilling in 2015 returned 15.0 g/t gold over 5.0 metres from hole PG15-028 and 39.1 g/t gold over 2.9 metres from hole PG15-031³. 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 January 25, 2016. (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. (3) See news releases dated March 2, 2015 and March 16, 2015.

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 off 1kg, and pulverize 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 re-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

Darren O'Brien, 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

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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 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.