

NEWS RELEASE 16-11

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PURE GOLD ANNOUNCES C\$5 MILLION BOUGHT DEAL PRIVATE PLACEMENT

VANCOUVER, B.C. – Pure Gold Mining Inc. (PGM – TSX-V) (“Pure Gold” or the “Company”) is pleased to announce that it has entered into an agreement with Macquarie Capital Markets Canada Ltd. on behalf of a syndicate of underwriters (together the “Underwriters”), whereby the Underwriters will purchase for their own account or arrange for substituted purchasers to purchase on a bought-deal private placement basis 6,667,000 flow-through common shares (the “Flow-Through Shares”) from Pure Gold at a price of C\$0.75 per Flow-Through Share for aggregate gross proceeds to Pure Gold of C\$5,000,250 (the “Offering”).

The Underwriters shall also have the option (the “Underwriters’ Option”) to purchase from Pure Gold up to an additional 25% of the number of Flow-Through Shares sold pursuant to the Offering. The Offering will take place by way of a private placement to qualified investors in such provinces of Canada as the Underwriters may designate, and otherwise in those jurisdictions where the Offering can lawfully be made. The securities to be issued under the Offering will have a hold period of four months and one day from closing.

The proceeds raised from the sale of the Flow-Through Shares will be used by the Company for surface exploration financing in the Province of Ontario that will qualify as “Canadian exploration expenses” and “flow-through mining expenditures” for purposes of the Income Tax Act (Canada) and as “eligible Ontario exploration expenditures” within the meaning of the Taxation Act, 2007 (Ontario).

It is expected that the closing of the Offering will occur on or about June 8, 2016 (the “Closing Date”) and is subject to the satisfaction of certain conditions, including receipt of all applicable regulatory approvals including the approval of the TSX Venture Exchange.

In consideration for their services, the Underwriters will receive a cash commission equal to 6.0% of the gross proceeds of the Offering, including any proceeds realized on exercise of the Underwriters’ Option.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) or any state securities laws and may not be offered or sold within the United States or to U.S. Persons (as such term is defined in Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

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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Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Certain statements made and information contained in this news release constitute "forward-looking information" within the meaning of Canadian securities legislation. Forward-looking statements relate to future events or future performance and reflect current estimates, predictions, expectations or beliefs regarding future events and include, but are not limited to, statements with respect to: the amount of mineral resources, the amount of future production over any period, net present value and internal rates of return of the proposed mining operation, capital costs, including start-up, sustaining capital and reclamation/closure costs, operating and working capital costs, strip ratios and mining rates, the proposed implementation schedule, mine life, metal price assumptions, cash flow forecasts, projected capital and operating costs, metal or mineral recoveries, mine life and production rates. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects", "anticipates", "plans", "projects", "estimates", "envisages", "assumes", "intends", "strategy", "goals", "objectives" or variations thereof or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward-looking statements.

Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Material risk factors that could cause actual results to differ materially from those reflected in the forward-looking statements include unsuccessful exploration results, accidents or equipment breakdowns, the risk of undiscovered title defects or problems with surface access, labour disputes or inability to attract the necessary work force, the potential for delays in exploration activities, the potential for unexpected costs and expenses, commodity price fluctuations, currency fluctuations, political risk, unanticipated changes in key management personnel and general economic, market or business conditions, and those risks described in the Company's most recent annual information form and management discussion and analysis filed on SEDAR at www.sedar.com. This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements. Forward-looking statements are based on current beliefs as well as various assumptions including, without limitation, the expectations and beliefs of management regarding the assumed long-term price of gold, the presence of and continuity of metals at the Madsen project at modeled grades, the capacities of various machinery and equipment, the availability of personnel, machinery and equipment at estimated prices, exchange rates, metals sales prices, appropriate discount rates; tax rates, and royalty rates applicable to the proposed mining operation; financing structure and costs; anticipated mining losses and dilution; metal recovery rates, reasonable contingency requirements; the negotiation of satisfactory terms with impacted third parties including local communities, access to financing, appropriate equipment and sufficient labour.

Although management considers these assumptions to be reasonable based on information currently available, such assumptions may prove to be incorrect. Many forward-looking statements are made assuming the correctness of other forward-looking statements, such as statements of net present value and internal rate of return, which are based on most of the other forward-looking statements and assumptions herein. The cost information is also prepared using current values, but the time for incurring the costs will be in the future and it is assumed costs will remain stable over the relevant period.