

NEWS RELEASE 18-14

June 05, 2018

**PURE GOLD INTERSECTS 57.1 G/T GOLD OVER 22.1 METRES AT MADSEN**  
***Includes highest grade result to date with 1,175 g/t gold over 1.0 metre***

VANCOUVER, B.C. – Pure Gold Mining Inc. (PGM – TSX-V) (“Pure Gold” or the “Company”) is pleased to announce that recent underground drilling continues to successfully delineate initial mining shapes that will underpin the early years of production at the Madsen Gold Project (“Madsen”). Several mineralized structures have been intersected with exceptional results, establishing both vertical and lateral continuity of high grade gold mineralization, and locally expected to upgrade the mineral resource. New ramp development is underway, providing access to these planned mining shapes and to the test mining location in advance of the planned extraction of a 7,200 tonne bulk sample.

Release highlights:

- Tightly spaced drilling of the bulk sample area in the McVeigh domain has defined a wide, mineralized structure with an internal zone of high grade gold mineralization that exhibits strong vertical and lateral continuity. Intercepts include:
  - **57.1 g/t gold over 22.1 metres**, including **232.4 g/t gold over 5.2 metres** which includes **1175.0 g/t gold over 1.0 metre** from drill hole PGU-0109;
  - **13.0 g/t gold over 4.5 metres** from drill hole PGU-0092;
  - **13.6 g/t gold over 1.5 metres** from drill hole PGU-0096;
  - **11.8 g/t gold over 3.8 metres** from drill hole PGU-0105;
  - **12.2 g/t gold over 2.4 metres** from drill hole PGU-0107;
  - **20.8 g/t gold over 2.0 metres** from drill hole PGU-0108; and
  - **13.2 g/t gold over 3.7 metres** from drill hole PGU-0111.
- Drilling has also targeted high grade gold mineralization in nearby parallel structures from both the South Austin and McVeigh domains, including:
  - **19.6 g/t gold over 4.5 metres** from drill hole PGU-0087 (South Austin);
  - **16.6 g/t gold over 4.0 metres** from drill hole PGU-0088(South Austin);
  - **90.2 g/t gold over 0.8 metre** from drill hole PGU-0097 (McVeigh);
  - **78.0 g/t gold over 1.5 metres** from drill hole PGU-0103 (McVeigh); and
  - **49.5 g/t gold over 0.7 metre** from drill hole PGU-0104 (McVeigh).

“Our objective at Pure Gold is to employ mining methods that minimize dilution and maximize profitability, rather than simply maximize tonnage throughput at the expense of grade” said Darin Labrenz, President and CEO of Pure Gold. “Therefore it is encouraging to see internal lenses of high grade gold mineralization with good continuity, located wholly within surrounding structures that are also well mineralized. Not only does this allow us to consider mining in areas that may be amenable to bulk mining methods, thus increasing productivity and lowering unit mining costs, but it also means that mining dilution effects may be minimized by the surrounding rocks which also carry gold. Our recent underground drilling, targeting the early years of production, continues to reinforce the defined resource, delineate mining shapes with increased certainty, and de-risk the near term production opportunity at Madsen.”

Drilling from the recently completed exploration drift targeted a wide mineralized structure within the McVeigh domain, demonstrating good continuity of higher grade gold mineralization, and the results are expected to upgrade the resource in this area. The importance of this well mineralized structure was highlighted by drill hole PGU-0109 which returned **57.1 g/t gold over 22.1 metres**, including **232.4 g/t gold over 5.2 metres** and also including **1,175 g/t gold over 1.0 metre**. This result is the highest grade drill intercept reported by the Company to date, and ranks in the top percentile of all assays returned historically from drilling at Madsen. Importantly it lies within a broad mineralized interval, with a true width of approximately 12-15 metres demonstrating good strike and dip continuity in tightly spaced drilling from the exploration ramp and drift. Drill holes PGU-0091, PGU-0094, PGU-0095, and PGU-0108 also returned wide intercepts that are expected to expand the resource in this area.

Importantly, high grade gold mineralization forms discrete shoots with good lateral and vertical continuity across multiple drill holes, highlighted by drill hole PGU-0109 and also intersected by PGU-0092 returning **8.1 g/t over 9.0 metres**, as well as PGU-0111 which returned **13.2 g/t over 3.7 metres**. The continuity and dimensions of mineralization suggest that some parts of the resource may have potential for bulk mining methods, providing opportunities for increased productivity and lower cost mining. Most importantly, higher grade mineralization within the zones shows good continuity, implying that the effects of dilution may be minimized with selective mining of higher grade.

Targeting of the wide mineralized structure also intersected significant gold mineralization in the McVeigh approximately 25 metres from the exploration drift, forming a new mineralized shoot outside of the current resource. Highlights include drill hole PGU-0103 which returned **16.2 g/t gold over 12.7 metres**, and drill hole PGU-0098 which returned **20.2 g/t gold over 1.0 metre**. Drill holes PGU-0095 and PGU-0097 also support continuity of this new mineralized zone.

In the South Austin domain, two drill holes were completed to further define near-surface mineralization with results confirming the resource but returning higher than expected grades in this area, including drill hole PGU-0087 which returned **19.6 g/t gold over 4.5 metres**, and PGU-0088 which returned **16.6 g/t gold over 4.0 metres**.

### Drill Results Summary

New assay results from select drill holes are outlined below:

Hole ID	From (m)	To (m)	Length (m)	Gold (g/t)	Zone
PGU-0087	63.9	68.4	4.5	19.6	South Austin
PGU-0088	64.0	68.0	4.0	16.6	South Austin
<i>incl.</i>	<i>65.0</i>	<i>67.0</i>	<i>2.0</i>	<i>27.1</i>	
PGU-0089	115.0	116.9	1.8	10.3	McVeigh
	122.0	123.2	1.2	14.0	McVeigh
PGU-0091	61.0	75.0	14.0	5.9	McVeigh
<i>incl.</i>	<i>69.0</i>	<i>73.0</i>	<i>4.0</i>	<i>8.4</i>	
<i>PGU-0092</i>	<i>53.8</i>	<i>68.0</i>	<i>14.3</i>	<i>5.9</i>	<i>McVeigh</i>

<i>incl.</i>	53.8	62.8	9.0	8.1	
<i>incl.</i>	53.8	58.2	4.5	13.0	
PGU-0094	52.0	69.0	17.0	5.1	McVeigh
<i>incl.</i>	59.0	65.0	6.0	9.0	
PGU-0095	20.0	24.0	4.0	7.0	McVeigh
	51.0	67.0	16.0	5.1	McVeigh
<i>incl.</i>	51.0	55.0	4.0	8.7	
PGU-0096	70.0	72.5	2.5	9.9	McVeigh
<i>incl.</i>	71.0	72.5	1.5	13.6	
	82.0	84.0	2.0	9.9	McVeigh
PGU-0097	25.0	35.0	10.0	5.5	McVeigh
<i>incl.</i>	25.0	27.0	2.0	22.9	
	104.7	108.1	3.4	7.3	
	118.0	120.0	2.0	7.0	McVeigh
	123.8	124.5	0.8	90.2	McVeigh
PGU-0098	27.0	28.0	1.0	20.2	McVeigh
PGU-0099	51.0	53.0	2.0	7.6	McVeigh
PGU-0102	47.8	59.3	11.5	5.6	McVeigh
PGU-0103	29.3	42.0	12.7	16.2	McVeigh
<i>incl.</i>	31.0	40.0	9.0	22.1	
<i>incl.</i>	33.0	34.0	1.0	65.3	
<i>and incl.</i>	36.5	38.0	1.5	78.0	
	123.0	124.2	1.2	7.4	McVeigh
PGU-0104	97.8	98.5	0.7	49.5	McVeigh
PGU-0105	18.0	24.0	6.0	6.8	McVeigh
<i>incl.</i>	18.0	20.0	2.0	9.7	
<i>and incl.</i>	22.0	24.0	2.0	9.4	
	45.2	56.2	11.1	5.9	McVeigh
<i>incl.</i>	48.6	52.4	3.8	11.8	
PGU-0107	47.3	59.4	12.1	5.6	McVeigh
	65.7	68.0	2.4	12.2	McVeigh
PGU-0108	44.0	67.0	23.0	5.0	McVeigh
<i>incl.</i>	46.7	48.0	1.3	10.9	

<i>and incl.</i>	50.9	61.0	10.1	7.3	
<i>which incl.</i>	59.0	61.0	2.0	20.8	
PGU-0109	42.9	65.0	22.1	57.1	McVeigh
<i>incl.</i>	42.9	48.1	5.2	232.4	
<i>incl.</i>	43.9	44.9	1.0	1175.0	
<i>and incl.</i>	53.4	54.4	1.0	24.8	
PGU-0110	43.0	45.9	2.9	7.3	McVeigh
PGU-0111	43.5	47.2	3.7	13.2	McVeigh
<i>incl.</i>	43.5	45.0	1.5	19.5	

*\*Assay composites were calculated using uncut assays and true widths are interpreted to vary from 50-90% (75%, on average) of reported core lengths above.*

For a figure showing a representative plan map of drill results, click link below:  
<http://puregoldmining.ca/sites/default/files/Drill-Result-Plan-05062018.pdf>

For a figure showing a representative cross section of drill results, click link below:  
<http://puregoldmining.ca/sites/default/files/Drill-Result-Section-05062018.pdf>

For a complete list of 2018 drill results to date, click link below:  
<http://puregoldmining.ca/sites/default/files/2018-DH-Intercepts-Table-June05.pdf>

## ABOUT MADSEN

The Madsen Gold Project has historic production of 2.5 million ounces of gold and a current 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.<sup>1</sup> 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) 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](http://www.puregoldmining.ca) or Sedar profile at [www.sedar.com](http://www.sedar.com).

## 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 2 mm, 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, BC 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 and shoulder samples are also analyzed by a 1 kg screen fire assay with screening to 100 microns. A duplicate 30 g fire assay is conducted on the screen undersize with assaying of the entire oversize fraction (code Au-SCR21). Control samples (certified standards and uncertified blanks), along with field, prep and pulp duplicates, are 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](http://www.puregoldmining.ca) and under the Company's profile at [www.sedar.com](http://www.sedar.com).

### **ON BEHALF OF THE BOARD**

"Darin Labrenz"

**Darin Labrenz, President & CEO**

### **Investor inquiries:**

Adam Buchanan, Manager, Investor Relations

Tel: 604-646-8000

[info@puregoldmining.ca](mailto: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 16, 2017 in the section entitled "Risk Factors", under Pure Gold's SEDAR profile at [www.sedar.com](http://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.*