

NEWS RELEASE 18-16

June 18, 2018

## **PURE GOLD EXPANDS WEDGE FROM SURFACE TO VERTICAL DEPTH OF 500 METRES** *Drilling returns 354 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 report that surface drilling at the Madsen Gold Project (“Madsen”) continues to establish the Wedge area as an important component of a large, high grade mineral system that hosts two related past-producing mines, and significant current mineral resources along a five kilometer structural corridor. Surface drilling of the Wedge area has expanded strongly mineralized zones to a vertical depth of 500 metres and has established continuity of gold mineralization in several key areas. With two drill rigs currently active at the Wedge, the Company is on track to meet its goal of disclosing an initial mineral resource in Q4 2018.

### Drilling highlights:

- Drilling continues to expand the scale of the Wedge zones with gold mineralization intersected to a vertical depth of +500 metres. Drilling highlights from the Wedge drilling include:
  - **354.0 g/t gold over 1.0 metre** from drill hole PG18-540;
  - **18.3 g/t gold over 1.0 metre** and,
  - **19.9 g/t gold over 3.3 metres**, including **53.6 g/t gold over 1.0 metre** from drill hole PG18-564.
- Step out drilling on the Wedge-MJ zone has successfully intersected gold mineralization over a 150 metre dip extent. Drilling highlights include:
  - **17.1 g/t gold over 1.7 metres** from drill hole PG18-533,
  - **9.0 g/t gold over 1.7 metres** from drill hole PG18-530.
- Drilling has also intersected high grade gold mineralization up dip of historical workings of the Starratt mine, highlighted by:
  - **40.4 g/t gold over 1.9 metres** from drill hole PG18-574.
- Surface drilling in the Wedge area has recommenced with two drill rigs.

“Since acquiring and consolidating the Madsen Gold Project in 2014, our team has successfully established significant zones of gold mineralization along a five kilometer corridor” said Darin Labrenz, President and CEO of Pure Gold. “While we have referred to these zones as satellite deposits, mines, zones and targets, our drilling has unequivocally linked them genetically and geometrically into one large, common mineral system that spans the entire five kilometer strike length. The recognition of this important structural relationship has opened up expansive gaps along strike and down plunge that are highly prospective for continued resource growth, supporting our goal of establishing a new multi-million ounce mine complex at Madsen. We will continue to aggressively test these growth opportunities consistent with our objective of building a modern, scalable mining operation at Madsen.”

### **Wedge Mineralization Continues to Depth**

The Wedge deposit area, located approximately three kilometres by road south of the Madsen milling infrastructure, forms a southward extension of the same mineral system that hosts the Madsen and Fork deposits defining a key mineralized structural corridor that extends over a five kilometre strike length. Initial drilling in the Wedge area intersected **21.3 g/t gold over 10.3 metres** from drill hole PG17-486 at a vertical depth of 15 metres, establishing the strength of the Wedge system at surface.<sup>1</sup> Subsequent mapping of the area has revealed a robust vein system with visible gold present at surface. Results reported herein have demonstrated

a well-defined south plunge to mineralization with exceptional continuity. Down plunge of PG17-486, drill hole PG18-564 returned **19.9 g/t gold over 3.3 metres** at a vertical depth of 230 metres, while PG18-540 returned **354.0 g/t gold over 1.0 metre** 320 metres below surface. Drill hole PG18-569, characterized by a wide zone of strong alteration with multiple quartz veins, individually up to 0.85 metres in length, intersected the Wedge deposit 500 metres below the mineralization exposed at surface.

Gold mineralization in the Wedge area lies in the geological footwall of and forms mineralized zones that are oblique to those primarily mined from the Starratt-Olsen mine which recorded production over an eight year period from 1948 to 1956. Although most historical records from the Starratt-Olsen mine have been lost, recent compilation of partial records has shown that limited mine development was extended late in the mine life to the south and into the Wedge deposit area, where two primary stopes were developed. Work by Pure Gold has shown that this mineralization continues to surface, as well as to depth below this limited stoping, forming a well-developed mineralized zone with exceptional continuity. Importantly, our team has established a clear relationship between mineralization present at Starratt to that intersected by drilling at Wedge, Fork, and Madsen opening up extensive opportunities for resource growth along this five kilometre structural break.

### Building Continuity at Wedge-MJ

The westernmost of Wedge’s mineralized zones (Wedge-MJ) is interpreted as a possible analog of known deposits on the same geological contact, including the 8 Zone and Russet South deposits. Initial drilling from this zone returned **12.1 g/t gold over 2.0 metres** from drill hole PG17-474.<sup>1</sup> Northernmost drilling of the MJ to date returned **17.1 g/t gold over 1.7 metres** from drill hole PG18-533. Drilling to date by Pure Gold has established two mineralized shoots within the MJ domain, both intersected over a 150 metre dip extent and open for expansion in all directions.

### 2018 Exploration Drilling

The Company recently announced an additional 21,000 metres of exploration drilling with the goal of demonstrating expansion and project scalability opportunities at Madsen. Surface drilling is ongoing with two drill rigs currently targeting extensions of Wedge’s mineralized zones. Further results are pending and will be released when available.

### 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
PG18-530	151.7	153.4	1.7	9.0	Wedge-MJ
PG18-533	167.0	176.0	9.0	4.5	Wedge-MJ
<i>incl.</i>	<i>170.0</i>	<i>171.7</i>	<i>1.7</i>	<i>17.1</i>	
PG18-540	372.4	373.4	1.0	354.0	Wedge-DV
PG18-544	79.7	81.7	2.0	7.0	Wedge-DV
PG18-564	192.9	193.9	1.0	18.3	Wedge-DV
	243.7	247.0	3.3	19.9	Wedge-DV

<i>incl.</i>	243.7	244.7	1.0	53.6	
PG18-569	607.0	608.3	1.3	4.5	Wedge-DV
	612.7	613.9	1.2	4.3	
PG18-574	91.3	93.2	1.9	40.4	Starratt-Olsen
PG18-577	167.0	168.0	1.0	10.9	Wedge-CK

*\*Assay composites were calculated using uncut assays and true widths are interpreted to vary from 70-90% (80%, on average) of reported core lengths above.*

For a figure showing the location of drill results, click link below:

<http://puregoldmining.ca/sites/default/files/Drill-Result-Figures-18062018.pdf>

For a complete list of 2018 drill results to date, click link below:

<http://puregoldmining.ca/sites/default/files/2018-DH-Intercepts-Table-June-18.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>2</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 news release dated January 31, 2018

(2) 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**

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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 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.*