

**NEWS RELEASE 15-15**

**December 2, 2015**

**PURE GOLD ANNOUNCES AGREEMENT TO SELL NON-CORE ASSETS TO PREMIER GOLD FOR \$5 MILLION PLUS 1% NSR**

VANCOUVER, B.C. – Pure Gold Mining Inc. (PGM – TSX-V) (“Pure Gold” or the “Company”) is pleased to announce that it has entered into a binding letter of intent with Premier Gold Mines Limited (“Premier Gold”) to sell certain non-core claims (“Buffalo Claims”) currently owned by Pure Gold that are contiguous with Premier Gold’s Hasaga property.

“In our view, this transaction is a logical step for both companies. It will provide Pure Gold with immediate cash and share consideration without diluting shareholders equity, which will continue to allow the Company to devote funds to our highly prospective Madsen Gold Project,” stated Darin Labrenz, President and CEO of Pure Gold. “The sale also provides Pure Gold with continued exposure to the Buffalo Claims via the NSR.”

The sale of 28 mining claims adjoining Premier Gold’s Hasaga property represents approximately 10% of the area held under the Madsen Gold Project and does not include any of the infrastructure or mineral resources associated with the Madsen Mine, nor does it include any of the Company’s primary exploration targets. While the Buffalo Claims are known to host gold mineralization on the margins of the Dome Stock granodiorite, they do not host the mafic-ultramafic contact that Pure Gold has been successfully targeting for high-grade gold mineralization.

On closing it is anticipated that the Company will have approximately \$7.1 million in cash and short-term investments to continue to advance its exploration and development efforts at Madsen.

**TRANSACTION TERMS**

Total consideration payable to Pure Gold will consist of:

- (1) Cash consideration of \$2,500,000 payable upon closing;
- (2) Share consideration totaling \$2,500,000 based on the 20 day VWAP of Premier Gold preceding closing;
- (3) A 1% NSR on the majority of the Buffalo Claims divested. Premier Gold will have the right to acquire 50% of the NSR for consideration of \$1,000,000.

The sale is expected to close on or before December 18, 2015 and is subject to certain conditions including, but not limited to, the completion of definitive documentation and receipt of all necessary approvals, including the approval of the TSX-V. All common shares of Premier Gold received in connection with the sale will be subject to a hold period in Canada of four months and one day from the date of issuance.

Macquarie Capital Markets Canada Ltd. is acting as financial advisor to Pure Gold with regard to the sale.

## 2016 EXPLORATION PROGRAM

Pure Gold's exploration focus in 2016 will be to drill test and advance near-surface high-grade targets associated with the prospective mafic-ultramafic folded stratigraphy to the north and west of the historic mine workings, as well as advance evolving near-mine targets that have developed out of recent structural interpretation and modelling. The Company will also continue engineering studies to assess the existing mining and milling infrastructure, and assess potential development opportunities within the existing resource base and nearby prospects. This engineering study will be utilized in designing additional drilling for the purpose of upgrading and expanding the current mineral resource.

Pure Gold is currently preparing for a minimum 6,000 metre winter drill program, designed to test prospective near surface targets, commencing in January 2016.

## ABOUT MADSEN

Madsen 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)<sup>1</sup> and is situated in one of the most active exploration and mining camps in North America. In addition to the mineral resource, the Madsen Gold Project hosts a number of highly prospective exploration targets 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 PG15-031<sup>2</sup>. 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 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. (2) See news releases dated March 2, 2015 and March 16, 2015.*

## 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](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 4, 2015 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.*

**Cautionary Note to United States Investors Concerning Estimates of Measured, Indicated and Inferred Resources**

*Mineral resources that are not mineral reserves do not have demonstrated economic viability. Mineral resource estimates do not account for mineability, selectivity, mining loss and dilution. There is also no certainty that these inferred mineral resources will be converted to measured and indicated categories through further drilling, or into mineral reserves, once economic considerations are applied. The mineral resource estimates referenced in this press release use the terms "Indicated Mineral Resources" and "Inferred Mineral Resources". While these terms are defined in and required by Canadian regulations (under NI 43-101), these terms are not recognized by the U.S. Securities and Exchange Commission ("SEC"). "Inferred Mineral Resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. The SEC normally only permits issuers to report mineralization that does not constitute SEC Industry Guide 7 compliant "reserves" as in-place tonnage and grade without reference to unit measures. U.S. investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves. Pure Gold is not an SEC registered company.*