

NEWS RELEASE 18-11

April 27, 2018

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PURE GOLD ANNOUNCES INCREASE IN FINANCING TO C\$20.9 MILLION

VANCOUVER, B.C. – April 27, 2018 - Pure Gold Mining Inc. (TSXV:PGM) ("Pure Gold" or the "Company") is pleased to announce that it has entered into an amended agreement with Sprott Capital Partners to act as lead underwriter (the "Lead Underwriter"), on its own behalf and, on behalf of a syndicate of underwriters including Macquarie Capital Markets Canada Ltd, Raymond James Ltd, Haywood Securities Inc., Velocity Trade Capital Ltd., Canaccord Genuity Corp., and Echelon Wealth Partners (collectively with the Lead Underwriter, the "Underwriters"), pursuant to which the Underwriters have agreed to purchase for their own account or arrange for substituted purchasers to purchase on a bought-deal private placement basis 16,130,000 units of the Company (the "Units"), at a price of C\$0.62 per Unit, for gross proceeds of C\$10,000,600, and 4,000,000 common shares of the Company issued on a flow-through basis (the "FT Shares"), at a price of C\$0.75 per FT Share, for gross proceeds of C\$3,000,000, increasing the aggregate gross proceeds from the underwritten offering to C\$13,000,600 (together, the "Offering").

Each Unit will consist of one common share of the Company (a "Unit Share") and one-half of one common share purchase warrant (each whole common share purchase warrant, a "Warrant"). Each Warrant will be transferrable and entitle the holder to acquire one common share of the Company for two years from the closing of the Offering at a price of C\$0.85.

Concurrent with the above Offering, AngloGold Ashanti Limited has agreed to purchase 12,800,000 Units of the Company at C\$0.62 per Unit for gross proceeds of C\$7.9 million, on a non-brokered private placement basis, increasing its ownership percentage in the Company to 14.9% of the common shares issued and outstanding on a non-diluted basis (the "AngloGold Private Placement" and, together with the Offering, the "Transactions").

The gross proceeds raised from the sale of the FT Shares will be used by the Company for exploration financing that will qualify as "Canadian Exploration Expenses", as that term is defined in the *Income Tax Act* (Canada) only. The net proceeds raised from the sale of the Units will be used by the Company for exploration and development of the Company's Madsen gold project, as well as for general working capital purposes.

It is expected that the closing of the Offering will occur on or about May 24, 2018. The Transactions are subject to the satisfaction of certain conditions, including receipt of all applicable regulatory approvals including the approval of the TSX Venture Exchange, and the non-brokered private placement is subject to SARB approval. The securities to be issued under the Transactions will have a hold period of four months and one day from the applicable closing date in accordance with applicable securities laws.

In consideration for their services, the Underwriters will receive a cash commission equal to 6.0% of the gross proceeds of the Offering.

AngloGold is considered a "related party" of Pure Gold as it currently owns approximately 11.4% of the issued and outstanding common shares of Pure Gold on a non-diluted basis and, accordingly, the AngloGold Private

Placement constitutes a “related party transaction” within the meaning of Multilateral Instrument 61-101 (“MI 61-101”). The Anglogold Private Placement is exempt from the minority approval requirement of Section 5.6 and the formal valuation requirement of Section 5.4 of MI 61-101 as neither the fair market value of the Anglogold Private Placement, nor the fair market value of the consideration for the Anglogold Private Placement, exceeds 25% of Pure Gold’s market capitalization.

This news release does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of any of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful, including any of the securities in the United States of America. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “1933 Act”) or any state securities laws and may not be offered or sold within the United States or to, or for account or benefit of, U.S. Persons (as defined in Regulation S under the 1933 Act) unless registered under the 1933 Act and applicable state securities laws, or an exemption from such registration requirements 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.

Cautionary Note on Forward-Looking Information

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 the expected use of proceeds of the Transactions, the anticipated closing dates of the Transactions and the anticipated size and structure of each of the Transactions. 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 relating to the ability of the Company to obtain required regulatory approvals, complete definitive documentation, fulfill all conditions precedent and complete each of the Transactions on the terms announced; 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.

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.