

NEWS RELEASE 17-20

September 26, 2017

## PURE GOLD INTERSECTS 34.6 G/T GOLD OVER 4.3 METRES DEMONSTRATING SIGNIFICANT POTENTIAL BELOW MADSEN MINE

*Deepest high grade gold intercept to date confirms gold mineralization 240 metres down plunge from mine workings at a depth of 1,373 metres below surface*

VANCOUVER, B.C. – Pure Gold Mining Inc. (PGM – TSX-V) (“Pure Gold” or the “Company”) is pleased to announce additional exploration drilling results from its 100% owned Madsen Gold Project (“Madsen”). Deep drilling has intersected high grade gold mineralization at a vertical depth of 1,373 metres, 240 metres below historical mining. Additionally, shallow underground definition drilling continues to de-risk potential near term production.

### Release highlights:

- The down plunge extension of the South Austin deposit has been intersected at a vertical depth of 1,373 metres, approximately 240 metres below any previous mining. Hole PG17-456 returned **34.6 g/t gold over 4.3 metres**, including **67.0 g/t gold over 2.0 metres**. This result confirms that the Madsen mine is open to depth with deep-seated gold mineralization similar to other prolific deposits in the Red Lake Mining District;
- Ongoing underground drilling continues to intersect gold mineralization within the upper McVeigh deposit, including drill hole PGU-0016 which returned **12.7 g/t gold over 2.0 metres** and drill hole PGU-0020 which returned **14.4 g/t gold over 4.1 metres**.

“Today’s exceptional results confirm that the Madsen Mine is open to depth” said Darin Labrenz, President and CEO of Pure Gold. “Historically, Madsen has produced nearly 2.5 million ounces of gold to a depth of approximately 1,200 metres below surface. The intersection of the South Austin deposit well below historic mine stopes supports the strong vertical continuity of a large scale mineral system, and demonstrates the long term future expansion potential of Madsen’s deposits.”

### Drilling confirms Expansion of South Austin to Depth

Drill hole PG17-456 targeted the South Austin deposit at depth, intersecting mineralization approximately 240 metres below the deepest mining of the South Austin on Madsen Mine’s 23 level. The hole returned **34.6 g/t gold over 4.3 metres**, including **67.0 g/t gold over 2.0 metres** at a vertical depth of 1,373 metres. Mineralization in the Austin and South Austin deposits is interpreted to continue to depth well beyond the historic limits of mining. Deep plunge potential at Madsen is further supported by drilling of the Austin Deposit by a previous operator at a depth of approximately 2,100 metres with 14.3 g/t gold over 2.0 metres returned from drill hole AD-11-01.<sup>1</sup>

### Underground Drilling Expands Mineralized Zones

Ongoing underground drilling from the Madsen ramp is designed to de-risk potential near term production by targeting initial stope shapes and testing for extensions to the current resource in the upper portion of the McVeigh deposit. Drill hole PGU-0020 targeted the mineralized structure approximately 30 metres below any previous mining of the McVeigh deposit returning **14.4 g/t gold over 4.1 metres** and including **28.3 g/t gold**

**over 2.0 metres.** Drill hole PGU-016 targeted the McVeigh structure outside of the mineral resource and approximately 50 metres below existing resource blocks returning **12.7 g/t gold over 2.0 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
PG17-456	1613.6	1617.9	4.3	34.6	South Austin
<i>incl.</i>	<i>1615.9</i>	<i>1617.9</i>	<i>2.0</i>	<i>67.0</i>	
PGU-0016	298.0	300.0	2.0	12.7	McVeigh
PGU-0019	97.8	100.1	2.4	4.8	McVeigh
PGU-0020	107.5	111.6	4.1	14.4	McVeigh
<i>incl.</i>	<i>107.5</i>	<i>109.5</i>	<i>2.0</i>	<i>28.3</i>	
	120.0	121.0	1.0	37.0	McVeigh
PGU-0021	209.5	212.6	3.1	7.5	McVeigh

*\*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 set of figures showing the setting of drill results, click link below:

<http://puregoldmining.ca/sites/default/files/Drill-Result-Figures-26092017.pdf>

For a complete list of 2017 drill results to date, click link below:

<http://puregoldmining.ca/sites/default/files/2017-DH-Intercepts-Table-September-26.pdf>

For an image of deep South Austin mineralization from hole PG17-456, click link below:

<http://puregoldmining.ca/sites/default/files/PG17-456-CorePhoto.pdf>

### ABOUT MADSEN

The Madsen Gold Project has historic production of 2.5 million ounces of gold and remains one of the highest-grade, undeveloped gold projects in the world.<sup>1</sup> With an indicated resource of 1,648,000 ounces gold at 8.9 g/t gold (in 5.79 million tonnes) and an inferred resource of 178,000 ounces gold at 9.4 g/t gold (in 0.59 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>

(1) Sourced from the Natural Resource Holdings Global Gold Mines & Deposit Ranking of 2013

(2) See the National Instrument 43-101 technical report entitled "Madsen Gold Project 2017 Mineral Resource Estimate" with an effective date of August 2, 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 bagged and sealed and submitted to SGS in Red Lake, Ontario for sample preparation by crushing to 75% less than 2mm, a riffle split of 1kg, and pulverization of the split to better than 85% passing 75 microns. Gold analysis is completed in the SGS Red Lake lab with a 30g fire assay and AAS finish (code GE-FAA313). Samples returning >5 g/t Au are re-assayed with a gravimetric finish (code GO-FAG303). Mineralized zones with visible gold are also analyzed by a 1kg screen fire assay with screening to 106 microns (code GO-FAS51K). Two 30g fire assays are conducted on the screen undersize and combined with an assay of the entire oversize fraction. Control samples (accredited standards and non-accredited blanks) were 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.*