

NEWS RELEASE 16-14

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**PURE GOLD CLOSSES PREVIOUSLY ANNOUNCED BOUGHT- DEAL PRIVATE PLACEMENT  
FOR GROSS PROCEEDS OF C\$6.2 MILLION**

VANCOUVER, B.C. – Pure Gold Mining Inc. (PGM – TSX-V) (“Pure Gold” or the “Company”) is pleased to announce that it has closed the bought-deal private placement previously announced on May 25, 2016 (the “Offering”).

Pursuant to the Offering, the Company issued a total of 8,334,000 flow-through common shares (the “Flow-Through Shares”) at a price of C\$0.75 per Flow-Through Share for aggregate gross proceeds of C\$6,250,500. This included the exercise in full of the Underwriters’ Option of 1,667,000 Flow-Through Shares at a price of C\$0.75 per Flow-Through Share.

The Offering was completed through a syndicate of underwriters led by Macquarie Capital Markets Canada Ltd. and included National Bank Financial Inc., Canaccord Genuity Corp., Beacon Securities Limited, Raymond James Ltd. and Haywood Securities Inc. (together the “Underwriters”). In connection with the Offering, the Company paid the Underwriters a cash commission equal to 6.0% of the gross proceeds of the Offering.

The proceeds raised from the sale of the Flow-Through Shares will be used by the Company to fund surface exploration in the Province of Ontario that will qualify as “Canadian exploration expenses” and “flow-through mining expenditures” for purposes of the Income Tax Act (Canada) and as “eligible Ontario exploration expenditures” within the meaning of the Taxation Act, 2007 (Ontario). The Flow-Through Shares are subject to a hold period in Canada expiring on October 9, 2016.

This news release is not an offer to sell or the solicitation of an offer to buy the securities, nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to qualification or registration under the securities laws of such jurisdiction. The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), and such securities may not be offered or sold within the United States or to a U.S. person absent registration or an applicable exemption from U.S. registration requirements. “United States” and “U.S. person” have the respective meanings assigned in Regulation S under the U.S. Securities Act.

**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 multi-million-ounce gold 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:

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*Certain statements made and information contained in this news release constitute "forward-looking information" within the meaning of Canadian securities legislation. Forward-looking statements relate to future events or future performance and reflect current estimates, predictions, expectations or beliefs regarding future events and include, but are not limited to, statements with respect to: the expected use of proceeds of the Offering, the amount of mineral resources, the amount of future production over any period, net present value and internal rates of return of the proposed mining operation, capital costs, including start-up, sustaining capital and reclamation/closure costs, operating and working capital costs, strip ratios and mining rates, the proposed implementation schedule, mine life, metal price assumptions, cash flow forecasts, projected capital and operating costs, metal or mineral recoveries, mine life and production rates. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects", "anticipates", "plans", "projects", "estimates", "envisages", "assumes", "intends", "strategy", "goals", "objectives" or variations thereof or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward-looking statements.*

*Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Material risk factors that could cause actual results to differ materially from those reflected in the forward-looking statements include unsuccessful exploration results, accidents or equipment breakdowns, the risk of undiscovered title defects or problems with surface access, labour disputes or inability to attract the necessary work force, the potential for delays in exploration activities, the potential for unexpected costs and expenses, commodity price fluctuations, currency fluctuations, political risk, unanticipated changes in key management personnel and general economic, market or business conditions, and those risks described in the Company's most recent annual information form and management discussion and analysis filed on SEDAR at [www.sedar.com](http://www.sedar.com). This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements. Forward-looking statements are based on current beliefs as well as various assumptions including, without limitation, the expectations and beliefs of management regarding the assumed long-term price of gold, the presence of and continuity of metals at the Madsen project at modeled grades, the capacities of various machinery and equipment, the availability of personnel, machinery and equipment at estimated prices, exchange rates, metals sales prices, appropriate discount rates; tax rates, and royalty rates applicable to the proposed mining operation; financing structure and costs; anticipated mining losses and dilution; metal recovery rates, reasonable contingency requirements; the negotiation of satisfactory terms with impacted third parties including local communities, access to financing, appropriate equipment and sufficient labour.*

*Although management considers these assumptions to be reasonable based on information currently available, such assumptions may prove to be incorrect. Many forward-looking statements are made assuming the correctness of other forward-looking statements, such as statements of net present value and internal rate of return, which are based on most of the other forward-looking statements and assumptions herein. The cost information is also prepared using current values, but the time for incurring the costs will be in the future and it is assumed costs will remain stable over the relevant period.*