

NEWS RELEASE 17-10

May 11, 2017

PURE GOLD INTERSECTS 27.1 G/T GOLD OVER 5.8 METRES AT RUSSET SOUTH, MADSEN GOLD PROJECT

Drilling continues to expand mineralized zones at Russet South

VANCOUVER, B.C. – Pure Gold Mining Inc. (PGM – TSX-V) (“Pure Gold” or the “Company”) is pleased to announce additional drill results from the Russet South Target on the Company’s 100% owned Madsen Gold Project (“Madsen”). The concurrent expansion of mineral zones at Russet South is an important component of Pure Gold’s growth strategy which remains focused on resource expansion close to existing mine infrastructure.

Significant release highlights:

- Ongoing drilling at Russet South continues to intersect gold in multiple zones across a broad area spanning 650 metres by 650 metres. All zones remain open for expansion;
- Significant gold mineralization has again been intersected along the lower contact of a key ultramafic unit with **27.1 g/t gold over 5.8 metres** returned in hole PG17-364, building continuity with a zone previously described as Alpha;
- The sparsely tested upper contact of the same ultramafic returned **80.7 g/t gold over 1.0 metre** in hole PG17-391 and **11.3 g/t gold over 1.0 metre** approximately 200 metres to the north in hole PG17-371;
- Drill hole PG17-352 returned **17.7 g/t gold over 2.0 metres**, 190 metres north of recent discovery hole PG17-335 that returned **4.4 g/t gold over 12.0 metres** on the same geologic contact¹.

“The Russet South area is turning into an exceptional satellite prospect and complements our ongoing drilling success at the Austin and McVeigh horizons. The association of very high gold grades along the contacts of folded ultramafic units is directly analogous to the setting of the High Grade Zone at Goldcorp’s Red Lake Mine as well as the 8 Zone at Madsen, which occurs 1,600m down dip from Russet South.” said Darin Labrenz, President and CEO of Pure Gold². “To date, the Russet South Target has delivered an exceptional hit ratio, with 37 out of 101 holes drilled to date by Pure Gold showing visible gold and reporting intercepts in excess of 5 g/t gold.”

Drilling at Russet South expands Mineralized Zones

Mineralization reported herein is associated with both the footwall and hanging wall contacts of a folded ultramafic unit that forms the center of the Russet South Target. Drill hole PG17-364 intersected gold mineralization on the western, footwall side of the ultramafic returning **27.1 g/t gold over 5.8 metres** approximately 50 metres down dip of PG17-341 which returned **21.4 g/t gold over 1.9 metres**, and approximately 150 metres along strike to the southwest from a previously reported intercept in PG15-028 of **8.2 g/t gold over 11.0 metres**^{1,3}. This zone is open for expansion to the south and down plunge where it has seen limited drill testing.

Additionally, drilling has intersected gold mineralization on the eastern, hanging wall contact of the same ultramafic, with hole PG17-391 returning **80.7 g/t gold over 1.0 metre** on the south end, and PG17-371 returning **11.3 g/t gold over 1.0 metre** approximately 190 metres to the north. The hanging wall contact of this unit has been sparsely tested by Pure Gold and is open for expansion in all directions.

Drill hole PG17-352 expands the recently reported discovery zone at Russet South with **17.7 g/t gold over 2.0 metres** returned approximately 190 metres north of drill hole PG17-335 which intersected **4.4 g/t gold over 12.0 metres**¹. This hole expands the new gold zone located on the eastern side of Russet South to a total strike length of 320 metres. Mineralization is associated with deformed blue-grey quartz veins hosted in a 200 metre thick wedge of Basalt located between two distinct Ultramafic units, and remains open in all directions. It is expected that the next phase of drilling at Russet South will continue to test these gold zones beyond the current vertical extents of approximately 200 metres below surface.

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
PG17-347	249.1	250.1	1.0	4.5	Russet South
PG17-352	44.8	58.2	13.4	1.6	Russet South
	170.0	172.0	2.0	17.7	
PG17-364	157.0	162.8	5.8	27.1	Russet South
<i>incl.</i>	<i>157.0</i>	<i>160.8</i>	<i>3.8</i>	<i>39.2</i>	
<i>incl.</i>	<i>159.8</i>	<i>160.8</i>	<i>1.0</i>	<i>115.8</i>	
	180.0	182.0	2.0	3.9	
PG17-371	27.3	31.6	4.3	3.2	Russet South
	55.6	56.6	1.0	11.3	
PG17-375	29.1	30.1	1.0	5.0	Russet South
PG17-377	35.3	38.3	3.0	3.2	Russet South
PG17-391	18.2	19.2	1.0	80.7	Russet South
	22.2	23.2	1.0	5.4	
PG17-396	222.5	224.0	1.5	7.6	Russet South

**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 plan map showing the setting of the Russet South targets, click link below:

<http://puregoldmining.ca/sites/default/files/Russet-plan-05112017.pdf>

For a cross section showing the setting of the Russet South targets, click link below:

<http://puregoldmining.ca/sites/default/files/Russet-xsection-05112017.pdf>

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

<http://puregoldmining.ca/sites/default/files/2017-DH-Intercepts-Table-May-11.pdf>

While drilling at Russet South has paused for spring break-up, Pure Gold's 2017 exploration program is ongoing with four drill rigs currently testing resource growth potential near the mine infrastructure and along the more than five kilometre strike length of the Madsen mineral system. The program is expected to include 70,000 metres of core drilling, and will include underground drilling, expected to commence in Q2 2017. Further results will be released as available.

ABOUT MADSEN

The Madsen Mine operated for over 36 years with historic production of 2.5 million ounces at an average grade of 9.9 g/t gold. The Madsen Gold Project hosts 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 gold (in 3.24 million tonnes) and an Inferred Resource of 297,000 ounces gold at 11.74 g/t gold (in 0.79 million tonnes)⁴. The mineral resource is based on 13,624 drill holes, evenly dispersed throughout the mineral resource. A robust geologic model based on 27 levels of geological mapping and chip sampling provides a solid understanding of the geology and continuity of mineralization.

In addition to the mineral resource, the Madsen Gold Project hosts a number of prospective new discoveries including the Fork Zone and Russet South targets, as well as, two significant historic underground mines. Pure Gold believes the opportunity exists to advance these targets through the application of modern exploration science and a new understanding of the district.

(1) See news release dated March 27, 2017

(2) *The proximity and geologic similarities to Madsen Mine, the 8 Zone or Goldcorp's Red Lake Mine High Grade Zone does not mean that Pure Gold will obtain similar results at Russet South or other exploration targets on the Madsen Property. Russet South is an early stage exploration project and does not contain any mineral resource estimates as defined by NI 43-101. The potential to define a mineral resource at Russet South or other targets is conceptual in nature and there has been insufficient exploration to define a mineral resource. It is uncertain if further exploration at these or other targets at Madsen will yield a mineral resource*

(3) See news release dated March 2, 2015

(4) *See the National Instrument 43-101 technical report entitled "Technical Report on the Preliminary Economic Assessment For the Madsen Gold Project," prepared by Nordmin Engineering Ltd., dated effective April 20, 2016. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.*

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 and under the Company's profile at www.sedar.com.

ON BEHALF OF THE BOARD

"Darin Labrenz"

Darin Labrenz, President & CEO

Investor inquiries:

Adam Buchanan, Manager, Investor Relations

Tel: 604-646-8000

info@puregoldmining.ca

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 17, 2016 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.