

NEWS RELEASE 17-26

November 16, 2017

## PURE GOLD INTERSECTS 19.4 G/T GOLD OVER 9.8 METRES AT MCVEIGH, MADSEN GOLD PROJECT

### *Underground drilling continues to confirm and expand mineralized zones*

VANCOUVER, B.C. – Pure Gold Mining Inc. (PGM – TSX-V) (“Pure Gold” or the “Company”) is pleased to announce additional drilling results from its 100% owned Madsen Gold Project (“Madsen”). Drilling from underground continues to confirm mineralization in the McVeigh and South Austin Deposits and highlights the expansion potential within the Madsen mineral resource.

#### Drilling highlights:

- Multiple new drill holes collared from the underground mine workings have expanded the known mineralization outside of the current mineral resource, including **13.7 g/t gold over 6.8 metres** from hole PGU-0033 and **9.1 g/t gold over 6.6 metres** from drill hole PGU-0024 within the McVeigh and **11.3 g/t gold over 2.2 metres** from PGU-0035 within the South Austin;
- Infill drilling has confirmed near surface resources in close proximity to the Madsen ramp, with **19.4 g/t gold over 9.8 metres** returned from drill hole PGU-0028 and **15.4 g/t gold over 4.0 metres** from drill hole PGU-0042 in the McVeigh Deposit.

“Today’s results have returned exceptional widths and grades from underground drilling collared from the Madsen ramp” said Darin Labrenz, President and CEO of Pure Gold. “Drilling within the Madsen deposit has intersected gold mineralization both external to, and within, near surface and early mine life stopes from our recently released preliminary economic assessment (“**PEA**”)<sup>2</sup>, both de-risking the project and highlighting the potential for mineral resource expansion. With existing infrastructure including a shaft, ramp, mill and tailings facility, Madsen represents a unique low capital development opportunity in one of Canada’s premier high grade gold camps.”

#### **Infill Underground Drilling Confirms Gold Mineralization**

Drill hole PGU-0028 targeted the McVeigh Deposit within one of the first scheduled mining stopes from the Company’s recently released PEA, returning **19.4 g/t gold over 9.8 metres**, including **39.9 g/t gold over 4.5 metres** at a vertical depth of 150 metres. Drill hole PGU-0042, designed to target the limits of the same stope, returned multiple intercepts including **57.0 g/t gold over 1.0 metre**, and **15.4 g/t gold over 4.0 metres**. Drill hole PGU-0027 targeted the McVeigh approximately 150 metres below surface and intersected 35.5 g/t gold over 1.5 metres in the footwall of the known mineralization.

#### **Underground Drilling Expands Mineralized Zones**

In addition to targeting initial stope shapes from the recent PEA, ongoing underground drilling is also designed to test for extensions to the current resource in the upper portion of the Madsen deposit. Drill hole PGU-0025 targeted the South Austin and returned **23.4 g/t gold over 1.0 metre**, outside of the mineral resource. Drill hole PGU-0035 also targeted the South Austin intersecting **11.3 g/t gold over 2.2 metres** in a new area. Additionally, drill hole PGU-0033 targeted the McVeigh outside of the resource, returning **13.7 g/t gold over 6.8 metres**, including **28.7 g/t gold over 3.2 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
PGU-0024	145.0	160.5	15.5	5.5	McVeigh
<i>incl.</i>	<i>145.0</i>	<i>151.6</i>	<i>6.6</i>	<i>9.1</i>	
PGU-0025	263.0	264.0	1.0	23.4	South Austin
PGU-0027	133.3	134.9	1.5	35.5	McVeigh
PGU-0028	132.6	142.4	9.8	19.4	McVeigh
<i>incl.</i>	<i>135.8</i>	<i>140.3</i>	<i>4.5</i>	<i>39.9</i>	
PGU-0033	107.9	114.6	6.8	13.7	McVeigh
<i>incl.</i>	<i>107.9</i>	<i>111.0</i>	<i>3.2</i>	<i>28.7</i>	
	140.0	144.3	4.3	6.6	
<i>incl.</i>	<i>140.0</i>	<i>142.0</i>	<i>2.0</i>	<i>12.5</i>	
PGU-0035	59.8	62.0	2.2	11.3	McVeigh
PGU-0036	70.8	71.8	1.0	13.5	McVeigh
PGU-0040	52.1	54.5	2.4	7.3	South Austin
<i>incl.</i>	<i>52.1</i>	<i>53.1</i>	<i>1.0</i>	<i>12.7</i>	
PGU-0041	79.1	82.0	2.9	6.0	South Austin
<i>incl.</i>	<i>79.1</i>	<i>80.0</i>	<i>0.9</i>	<i>17.1</i>	
PGU-0042	103.3	104.3	1.0	57.0	McVeigh
	112.0	116.0	4.0	15.4	McVeigh
<i>Incl.</i>	<i>112.0</i>	<i>113.0</i>	<i>1.0</i>	<i>49.6</i>	

*\*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-16112017.pdf>

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

<http://puregoldmining.ca/sites/default/files/2017-DH-Intercepts-Table-November-16.pdf>

## Next Steps

Over the coming months, the Company will be focused on:

- completing a detailed Project Development schedule which will provide a critical path to a production decision, including detailed engineering and permitting;
- resource definition drilling from the Madsen ramp, designed to test for extensions to the current mineral resource;
- exploration drilling from surface with the goal of identifying and extending new zones of gold mineralization close to existing mine infrastructure, including up-dip of the 8 zone and down dip of the Russet South Deposit;
- Resource modelling of satellite deposits with a goal of releasing an updated mineral resource estimate for Madsen in the fourth quarter of 2017;
- continuing environmental baseline work to support the update of existing permits and the application of new permits and the filing of a Project Definition in the first quarter of 2018; and
- undertaking a feasibility level study in 2018.

## **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 "Preliminary Economic Assessment of the Madsen Gold Project for Pure Gold Mining Inc., Red Lake, Ontario, Canada" with an effective date of September 14, 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.*