

NEWS RELEASE 18-20

August 16, 2018

PURE GOLD CONTINUES TO EXPAND WEDGE DEPOSIT

Drilling returns 32.9 g/t gold over 1.7 metres and 23.1 g/t gold over 2.0 metres

VANCOUVER, B.C. – Pure Gold Mining Inc. (PGM – TSX-V) (“Pure Gold” or the “Company”) is pleased to report that surface drilling at the Madsen Gold Project (“Madsen”) continues to expand gold mineralization in the Wedge Deposit, reinforcing the importance of Wedge as a key component of the large high grade mineral system in place at Madsen. Surface drilling of Wedge has intersected strongly mineralized zones to a vertical depth of 500 metres and across 1,100 metres of strike length clearly establishing continuity of gold mineralization in several key areas that remain open for expansion. Importantly, this mineralization forms part of a series of genetically and geometrically related high grade zones that span a five kilometre structural corridor from Madsen to Wedge, with expansive gaps along strike and down plunge that remain highly prospective for additional resource growth.

Drilling highlights:

- Step out drilling on the Wedge-MJ zone has materially expanded this zone, with gold mineralization now intersected over a 300 metre dip extent. Drilling highlights include:
 - **32.9 g/t gold over 1.7 metres** from drill hole PG18-600;
 - **14.5 g/t gold over 1.5 metres** from drill hole PG18-599;
 - **12.7 g/t gold over 1.7 metres** from drill hole PG18-603;
 - **11.8 g/t gold over 2.3 metres** from drill hole PG18-602.
- Drilling continues to expand the scale of the Wedge-DV zone into previously untested areas including:
 - **12.4 g/t gold over 3.0 metres**, including **32.7 g/t gold over 1.0 metre** from drill hole PG18-620;
 - **10.1 g/t gold over 1.0 metre** from drill hole PG18-591;
 - **7.6 g/t gold over 2.0 metres** from drill hole PG18-584.
- Drilling has also expanded the Wedge-CK zone to depth, highlighted by:
 - **23.1 g/t gold over 2.0 metres** including **33.4 g/t gold over 1.0 metre** from drill hole PG18-616.

“Since the initial drilling of the Wedge area in late 2017, our geologic team has aggressively targeted the potential for resource growth resulting in the successful discovery of multiple zones of high grade gold mineralization” said Darin Labrenz, President and CEO of Pure Gold. “With gold mineralization now drill intersected over a kilometre of strike length and to a depth of 500 metres, open in all directions, we believe there is strong potential for continued growth of these zones. Key to this, is the recognition that Wedge forms part of a larger, related and connected mineral system that includes two significant mines and multiple zones of high grade gold mineralization. Application of this new understanding on a consolidated land position that encompasses a common five kilometre long mineral system is key to our goal of building a modern, scalable long life mining operation at Madsen.”

Wedge-MJ Continues to Grow

The Wedge deposit area, located approximately three kilometres by road south of the Madsen milling infrastructure, forms a southward extension of the same mineral system that hosts the Madsen and Fork deposits defining a key mineralized structural corridor that extends over a five kilometre strike length. The westernmost of Wedge’s mineralized zones (Wedge-MJ) is interpreted as an analog of known deposits on the same geological contact, including the 8 Zone and Russet South deposits. Previous drilling by Pure Gold has established two

mineralized shoots within the MJ domain, with drill highlights of **12.1 g/t gold over 2.0 metres** from drill hole PG17-474 and **17.1 g/t gold over 1.7 metres** from drill hole PG18-533.¹ New drilling by Company has substantially increased the scale of the MJ mineralized zone, expanding the footprint of this zone to over 600 metres in strike length with gold mineralization intersected over a 350 metre dip extent. Results reported herein include the deepest drilling by the Company at MJ to date, with highlights of **32.9 g/t gold over 1.7 metres** from drill hole PG18-600, and **7.2 g/t gold over 4.4 metres**, including **21.9 g/t gold over 1.0 metre** from drill hole PG18-602 separated by 60 metres laterally at a vertical depth of approximately 350 metres. Step out drilling to the north and south has also expanded the two mineralized shoots along strike, with both remaining open for expansion in all directions.

Scale of Wedge Mineralization Expands with Step-Out Drilling

Recent mapping of the Wedge area has clearly established a robust vein system at surface while previous drilling has demonstrated a well-defined south plunge to mineralization and established continuity from surface to a depth of 500 metres. Results reported herein have successfully targeted large gaps in the Wedge system, with substantial step-outs into untested areas. Drill hole PG18-620 returned **12.4 g/t gold over 3.0 metres** including **32.7 g/t gold over 1.0 metre**, filling a 200 metre gap between previously reported hole PG18-540 (**35.4 g/t gold over 1.0 metre**) and PG18-564 (**18.3 g/t gold over 1.0 metre** and **19.9 g/t gold over 3.3 metres**).¹ Step-out drilling on the south end of the Wedge has expanded known mineralization and remains open with drill hole PG18-616 returning **23.1 g/t gold over 2.0 metres** including **33.4 g/t gold over 1.0 metre** at a depth of approximately 110 metres. Additionally, drill holes PG18-584, PG18-591, and PG18-595 all successfully intersected shallow gold mineralization in a previously untested gap between the CK and DV zones.

2018 Exploration Drilling and Resource Estimate

In late May, the Company announced an additional 21,000 metres of exploration drilling with the goal of demonstrating expansion and project scalability opportunities at Madsen. To date, the Company has completed approximately 10,000 metres of the expanded drill program. Drilling is expected to run through Q4. Drill results from the Wedge, Russet South and Fork Deposits will be incorporated into an updated resource estimate, on track for Q4 2018.

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
PG18-584	65.0	67.0	2.0	7.6	Wedge-DV
	73.0	75.0	2.0	5.4	Wedge-DV
PG18-585	234.6	236.0	1.4	7.6	Fork
PG18-591	63.9	64.9	1.0	10.1	Wedge-DV
PG18-595	97.3	99.5	2.2	5.6	Wedge-DV
PG18-599	257.2	258.7	1.5	14.5	Wedge-MJ
	277.9	282.2	4.3	3.5	
<i>incl.</i>	281.2	282.2	1.0	7.4	

PG18-600	400.0	401.7	1.7	32.9	Wedge-MJ
	409.6	414.7	5.2	3.1	
PG18-602	443.0	447.4	4.4	7.2	Wedge-MJ
<i>incl.</i>	<i>443.0</i>	<i>445.3</i>	<i>2.3</i>	<i>11.8</i>	
<i>incl.</i>	<i>443.0</i>	<i>444.0</i>	<i>1.0</i>	<i>21.9</i>	
PG18-603	271.3	273.0	1.7	12.7	Wedge-MJ
PG18-605	118.3	119.4	1.1	5.7	
PG18-616	133.0	135.0	2.0	23.1	Wedge-CK
<i>incl.</i>	<i>133.0</i>	<i>134.0</i>	<i>1.0</i>	<i>33.4</i>	
PG18-620	268.0	274.9	6.9	6.3	Wedge-DV
<i>incl.</i>	<i>271.9</i>	<i>274.9</i>	<i>3.0</i>	<i>12.4</i>	
<i>incl.</i>	<i>271.9</i>	<i>272.9</i>	<i>1.0</i>	<i>32.7</i>	
	331.9	332.9	1.0	7.7	

**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 figure showing the location of drill results, click link below:

<http://puregoldmining.ca/sites/default/files/Drill-Result-Figures-16082018.pdf>

For a complete list of 2018 drill results to date, click link below:

<http://puregoldmining.ca/sites/default/files/2018-DH-Intercepts-Table-August-16.pdf>

ABOUT MADSEN

The Madsen Gold Project has historic production of 2.5 million ounces of gold and a current indicated resource of 1,744,000 ounces gold at 8.7 g/t gold (in 6.2 million tonnes) and an inferred resource of 296,000 ounces gold at 7.9 g/t gold (in 1.2 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.² A feasibility study is underway with results expected in the fourth quarter of 2018 and the Madsen Gold Project is firmly on the path to becoming Ontario's next gold mine.

(1) See news release dated January 31, 2018 and June 18, 2018

(2) See the National Instrument 43-101 technical report entitled "Technical Report for the Madsen Gold Project - Restated Preliminary Economic Assessment and Initial Satellite Deposit Mineral Resource Estimates" with an effective date of December 14, 2017 for complete details, available on the Company's website at www.puregoldmining.ca or Sedar profile at www.sedar.com.

QA/QC and Core Sampling Protocols

Drill core samples are submitted to ALS Minerals in Thunder Bay, Ontario for sample preparation by crushing to 70% less than 2 mm, a rotary split of 1kg, and pulverization of the split to better than 85% passing 75 microns.

Sample pulps are shipped to the ALS assay laboratory in North Vancouver, BC for gold analysis with a 30g fire assay and AAS finish (code Au-AA23). Samples returning >5 g/t Au are re-assayed with a gravimetric finish (code GRA21). Mineralized zones with visible gold and shoulder samples are also analyzed by a 1 kg screen fire assay with screening to 100 microns. A duplicate 30 g fire assay is conducted on the screen undersize with assaying of the entire oversize fraction (code Au-SCR21). Control samples (certified standards and uncertified blanks), along with field, prep and pulp duplicates, are 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

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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.

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.