

NEWS RELEASE 19-18

July 18, 2019

Pure Gold Closes Previously Announced Bought Deal Private Placement and Non-Brokered Private Placement Raising Gross Proceeds of C\$47.5 Million

Eric Sprott acquires approximately 10.2% of the Company

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VANCOUVER, British Columbia, July 18, 2019 -- Pure Gold Mining Inc. (TSXV:PGM) (“**Pure Gold**” or the “**Company**”) is pleased to announce that it has closed the bought deal private placement (the “**Offering**”) and concurrent non-brokered private placement (the “**Non-Brokered Private Placement**”) and together with the Offering, the “**Transactions**”) announced on June 21, 2019 and July 15, 2019, respectively.

“We are thrilled to have these significant equity Transactions closed, which have brought in C\$47.5 million in gross proceeds. This new capital gives us the financial flexibility to continue development work, and pursue an aggressive exploration program with the goal of resource expansion,” said Darin Labrenz, President and CEO of Pure Gold. “As the highest grade development project in Canada, Madsen joins part of a small, elite group of high-grade mining projects located in ideal jurisdictions.

We are also delighted to welcome Eric Sprott to the share registry as a 10% shareholder. Mr. Sprott is now the 2nd largest shareholder of Pure Gold behind AngloGold Ashanti and joins key strategic shareholders including Rob McEwen and Newmont Goldcorp, which collectively hold more than 30% of the float. I would like to thank existing shareholders who continue to support the Company’s strategy, and welcome new shareholders, including Eric Sprott and a widened following out of the UK, who have decided to invest in the Pure Gold story at this exciting time in our development. With the completion of the equity Transactions we have no need for additional equity as we continue to develop our project into a rising gold market.”

Pursuant to the Offering, the Company issued a total of 62,714,000 units of the Company (the “**Units**”), at a price of C\$0.55 per Unit, for aggregate gross proceeds of C\$34,492,700.

Each Unit consists of one common share of the Company (a “**Unit Share**”) and one-half of one common share purchase warrant (each whole common share purchase warrant, a “**Warrant**”). Each Warrant is transferrable and entitles the holder to acquire one common share of the Company until July 18, 2022, at a price of C\$0.85.

The Offering was completed through a syndicate of underwriters led by Sprott Capital Partners and which included Velocity Trade Capital Ltd. (together, the “**Underwriters**”). Peel Hunt LLP and Tamesis Partners LLP acted as part of a special selling group in connection with the United Kingdom portion of the Offering. In consideration for their services, the Underwriters received an aggregate cash commission equal to 6.0% of the gross proceeds of the Offering.

Pursuant to the Offering, Mr. Eric Sprott, through 2176423 Ontario Ltd., a corporation which is beneficially owned by him, acquired a total of 36,000,000 Units for total consideration of C\$19,800,000. Following completion of the Transactions, Mr. Sprott beneficially owns and controls 36,000,000 Unit Shares and 18,000,000 Warrants, representing approximately 10.2% of the issued and outstanding common shares of the Company on a non-diluted basis, and 14.5% of the issued and outstanding common shares on a partially diluted basis, assuming the exercise of the Warrants acquired hereunder and forming part of the Units. Prior to the Transactions, Mr. Sprott did not beneficially own or control any securities of the Company.

The Units were acquired by Mr. Sprott for investment purposes and with a long-term view of the investment. Mr. Sprott may acquire additional securities of the Company including on the open market or through private acquisitions or sell securities of the Company including on the open market or through private dispositions in the future, depending on market conditions, reformulation of plans and/or other relevant factors.

A copy of 2176423 Ontario Ltd.’s early warning report will appear on the Company’s profile on SEDAR and may also be obtained by calling (416) 362-7172 (200 Bay Street, Suite 2600, Royal Bank Plaza, South Tower, Toronto, Ontario M5J 2J1).

Pursuant to the Non-Brokered Private Placement, the Company issued a total of 23,700,000 Units, at a price of C\$0.55 per Unit, for aggregate gross proceeds of C\$13,035,000. AngloGold Ashanti Limited (“**AngloGold**”) purchased 11,850,000 Units issued pursuant to the Non-Brokered Private Placement (the “**AngloGold Private Placement**”), bringing AngloGold’s ownership percentage in the Company to 14.1% of the issued and outstanding common shares on a non-diluted basis upon completion of the Transactions. A subscription fee of 6.0% was paid on one-half of the gross proceeds of the Non-Brokered Private Placement.

Due to its share ownership, AngloGold is considered a “related party” of Pure Gold and, accordingly, the AngloGold Private Placement constitutes a “related party transaction” within the meaning of Multilateral Instrument 61-101 (“**MI 61-101**”). The AngloGold Private Placement was exempt from the minority approval requirement of Section 5.6 and the formal valuation requirement of Section 5.4 of MI 61-101 as neither the fair market value of the AngloGold Private Placement, nor the fair market value of the consideration of the AngloGold Private Placement, exceeded 25% of Pure Gold’s market capitalization. A material change report in connection with the AngloGold Private Placement will be filed less than 21 days before the closing of the AngloGold Private Placement. This shorter period was reasonable and necessary in the circumstances as the Company wished to complete the AngloGold Private Placement in a timely manner.

The net proceeds received from the Transactions will be used for the Company’s exploration and development activities and for general corporate purposes. The securities issued under the Transactions have a hold period of four months and one day from closing, expiring on November 19, 2019.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or any state securities laws and may not be offered or sold to U.S. Persons (as such term is defined in Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws, or an exemption from such registration is available.

ABOUT PURE GOLD

Our mandate is pure and simple. To dream big. To colour outside the lines. To use creativity and smart science on the path to production with our Madsen Red Lake Gold Mine, in Red Lake Ontario and to 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

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Cautionary Note on Forward-Looking Information

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 the expected use of proceeds of the Transactions, the Company’s exploration goals and plans and the Company’s need for no additional equity. 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 the use of proceeds of the Transactions, risks relating to the ability of the Company to obtain required regulatory approvals, 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 March 20, 2019 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.