

NEWS RELEASE 20-07

May 13, 2020

## PURE GOLD REPORTS FIRST QUARTER FINANCIAL RESULTS

VANCOUVER, B.C. – Pure Gold Mining Inc. (TSX-V: PGM, LSE: PUR) (“Pure Gold” or the “Company”) is pleased to announce that its unaudited condensed interim consolidated financial statements (“Financial Statements”) for the first quarter ended March 31, 2020 and the accompanying Management’s Discussion and Analysis are available for download on the Company’s website at [www.puregoldmining.ca](http://www.puregoldmining.ca) at under the Company’s SEDAR profile at [www.sedar.com](http://www.sedar.com).

### Financial and Operating Highlights for the quarter and to date:

During the three months ended March 31, 2020, the Company advanced construction and underground development activities at its 100%-owned Pure Gold Red Lake Mine Project (“**RL Mine Project**” or the “**Project**”). A summary of the highlights for the three months ended March 31, 2020 and to date are as follows:

- *Significantly advanced the RL Mine Project*

In addition to support from a number of experienced local contractors, including First Nations partners, the Company is successfully advancing the recruitment process with approximately 60 hires completed for the site operations team, including management, technical staff, supervisors and operators, as well as placements in safety, environmental, and administration services.

Significant earthworks, road and utilities infrastructure upgrades, and equipment installation is currently underway on surface at the site. Detailed engineering in the process plant is 95% complete, and the company has placed purchase orders for long-lead items for 80% of packages, based on value. Underground development is proceeding ahead of schedule. As part of the test mining program, pre-production underground ramp development was initiated on December 12, 2019 and is progressing at an accelerated pace.

Engineering and Procurement activities continue at the Project, with only minor delays encountered to date while engineers and vendors transitioned to working remotely because of Covid-19. Operation at the site have been adapted to minimize the risk of virus transmission through new screening, sanitary, hygiene, and physical distancing procedures. Currently, the Project remains on track to deliver ore to the mill by the end of 2020.

- *Ms. Maryse Bélanger joins the Board of Directors.*

In February 2020, Ms. Maryse Bélanger joined the Board of Directors. Ms. Bélanger brings over 30 years of experience with senior gold companies and strengths in operational excellence and efficiency, technical studies and services to the Board. She has provided oversight and project management support through some of the mining industry's key strategic acquisitions.

- *Additional draw under Credit Facility*

Subsequent to quarter end, the Company received a further US\$19.6 million, net of a 2% original issue discount, under its Credit Facility with Sprott Lending. The Company currently has \$78.7 million in cash on hand.

### Selected Financial Data

The following selected financial data is derived from our Financial Statements and related notes thereto for the periods indicated, as prepared in accordance with International Financial Reporting Standards. Details of these results are described in the unaudited condensed interim consolidated financial statements and Management's Discussion and Analysis for the three months ended March 31, 2020.

	<b>For the three months ended March 31, 2020</b>	For the three months ended March 31, 2019
Net income (loss) for the period attributable to shareholders	\$ 8,656,762	\$ (2,834,833)
Total comprehensive income (loss) for the period	\$ 8,656,762	\$ (2,834,833)
Basic and Diluted Income (Loss) per Share	\$ 0.02	\$ (0.01)

	<b>As at March 31, 2020</b>	As at December 31, 2019
Total assets	<b>\$ 140.1 million</b>	<b>\$ 130.6 million</b>
Current liabilities	<b>\$ 12.4 million</b>	<b>\$ 8.2 million</b>
Non-current liabilities	<b>\$ 69.0 million</b>	<b>\$ 72.8 million</b>
Cash dividends declared	<b>\$ -</b>	<b>\$ -</b>

This press release should be read in conjunction with Pure Gold's Condensed Interim Consolidated Financial Statements and Management's Discussion and Analysis for the three months ended March 31, 2020. In addition, for further information please see Pure Gold's Annual Information Form for the fiscal period ended December 31, 2019. These documents can be found on the Company's website ([www.puregoldmining.ca](http://www.puregoldmining.ca)) or under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may receive a printed copy of the audited consolidated financial statements, free of charge, upon request.

## Qualified Persons and 43-101 Disclosure

Darin Labrenz, P. Geo., President & CEO 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 Mining Inc.

The Pure Gold Red Lake Mine is Canada's highest grade gold mine development project. Fully funded, the project is on track to deliver near term gold production into a rising Canadian gold price environment, with first production scheduled for late 2020. The orebody is situated within a seven- kilometre long gold system that is wide open for expansion at depth and along strike, and multiple discoveries by the Company suggest potential opportunities for near-term growth.

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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*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

*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 proposed timing of development plans for the RL Mine Project, timing of expected production, expected capital costs, expected development schedule and the focus of the Company in the coming months. 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 RL Mine 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; the timing of future economic*

*studies; 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](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.*