

NEWS RELEASE 20-10

June 4, 2020

## **DRILLING RECOMMENCES AT THE PUREGOLD RED LAKE MINE, TARGETING MINE PLAN OPTIMIZATION, AGGRESSIVE RESOURCE GROWTH, AND NEW HIGH GRADE DISCOVERIES**

VANCOUVER, B.C. – Pure Gold Mining Inc. (TSX-V: PGM, LSE: PUR) (“**PureGold**” or the “**Company**”) is pleased to announce the launch of our 2020/2021 exploration and resource growth program at its 100% owned PureGold Red Lake Mine in Red Lake, Ontario, Canada. Over 30,000 meters of diamond drilling, including both underground and surface drilling, is planned to optimize the near term mine plan, expedite the growth of our mineral resources and aggressively expand new high-grade discoveries.

“We believe strongly in the organic growth potential of our PureGold Red Lake Mine property. And we are confident that the mine plan outlined in our feasibility study is scalable and has the potential to expand,” said Darin Labrenz, President and CEO. “We are now launching an aggressive exploration program designed to realize our vision for future growth at Canada’s next gold mine. Our drill program has been designed with the goal of: increasing indicated mineral resources through infill drilling, with potential to convert to future reserves; expand our gold resources through step-out drilling and make new high-grade discoveries through regional exploration.<sup>1</sup> While we remain completely focused on our fully-funded mine construction and ramp up, we strongly believe in the potential for our mineral reserves and mine production to grow, and our new program is designed to start building our future growth today.”

Underground drilling, which commenced today, is designed to infill and expand mineral resources with the goal of optimizing and expanding the near term mine plan.<sup>1</sup> It is expected that underground drilling with the purpose of reserve replacement will form an important ongoing component through the life of mine. Initial drilling will occur in areas targeted for the first two years of production as part of our ongoing detailed mine plan optimization.

Previous drilling in this area includes:<sup>2</sup>

- 232.4 g/t gold over 5.2 metres from drill hole PGU-0109;
- 50.2 g/t gold over 4.0 metres from hole PG16-154;
- 28.2 g/t gold over 7.0 metres from drill hole PGU-0061;
- 26.4 g/t gold over 12.7 metres from drill hole PGU-0051;
- 19.4 g/t gold over 9.8 metres from PGU-0028; and
- 10.9 g/t gold over 9.8 metres, including 27.0 g/t gold over 3.8 metres from PG16-093.

Surface drilling will focus on expanding new discoveries along our 7+ kilometre gold corridor. The goal of this program is to grow mineral resources in areas where we believe strong potential exists for mineral resources to convert to future reserves and form part of an expanded mine plan.<sup>1</sup> This drilling forms an important component of our plan to establish the growth and scalability of our PureGold mine complex. Diamond drilling will commence in July with two drill rigs which will initially be deployed to the Wedge area.

A third aspect of our exploration strategy is unveiling and establishing the growth potential of high-grade zones such as our **8 Zone**. Open up and down-plunge for expansion, the 8 Zone has previously returned extraordinary drill results such as **466.0 g/t gold** over 4.3 metres and **342.4 g/t gold** over 5.5 metres and forms an important part of our phase 1 mine.<sup>4</sup> Recent drilling in the area up-plunge has identified quartz veining with visible gold

within a strong alteration footprint around the clearly defined structure which also hosts the 8 Zone.<sup>5</sup> With the average gold grade in the 8 Zone indicated resource of 20.5 g/t, clearly the expansion of this zone, and discovery of similar zones, provide the opportunity for explosive transformative growth at the PureGold Red Lake Mine.<sup>2</sup> The PureGold team is actively planning exploration drilling directed at this important component of the mine growth strategy, and further drilling is expected to commence in the coming months.

The comprehensive PureGold exploration drill program is expected to continue into 2021, with results released during the course of the activities.

1. *There can be no certainty that exploration drilling will result in a mineral resource being delineated. Mineral resources that are not mineral reserves do not have demonstrated economic viability. There is also no certainty that inferred mineral resources will be converted to measured and indicated categories through further drilling, or into mineral reserves, once economic considerations are applied.*
2. *See news releases dated May 17, 2016, September 6, 2016, November 16, 2017, February 13, 2018, April 11, 2018 and June 5, 2018.*
3. *For further information, see the technical report titled "Madsen Gold Project Technical Report Feasibility Study for the Madsen Deposit Red Lake, Ontario, Canada" with an effective date of February 5, 2019, and dated July 5, 2019 (the "Feasibility Study"), for further information, available at [www.puregoldmining.ca](http://www.puregoldmining.ca) or under the Company's Sedar profile at [www.sedar.com](http://www.sedar.com)*
4. *Historic drill results prior to the implementation of NI 43-101. A full discussion and cautionary language regarding historic sampling practices can be found in the Feasibility Study Technical Report noted above.*
5. *See news releases dated October 9, 2019 and December 16, 2019.*

### **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 Mining Inc.**

The PureGold Red Lake Mine is Canada's next gold mine. 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:**

Adam Buchanan, Manager, Investor Relations

Tel: 604-646-8000

[info@puregoldmining.ca](mailto:info@puregoldmining.ca)

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All statements in this press release, other than statements of historical fact, are "forward-looking information" with respect to PureGold 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 PureGold Red Lake Mine complex, timing of expected production, timing and size of exploration activities, expected development schedule, potential for advancing the amount and timing for higher grade ore, potential for additional resources and expansion of known deposits and potential for making new discoveries 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 PureGold 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 Pure Gold Red Lake Mine complex; 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 and development 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 26, 2020 in the section entitled "Risk Factors", under PureGold's SEDAR profile at [www.sedar.com](http://www.sedar.com).

Although PureGold 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. PureGold 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.