



Pure Gold Reports Second Quarter Financial Results

VANCOUVER, British Columbia, Aug. 14, 2019 -- 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 second quarter ended June 30, 2019 and the accompanying Management's Discussion and Analysis are available for download on the Company's website at www.puregoldmining.ca at under the Company's SEDAR profile at www.sedar.com.

Financial and Operating Highlights through and subsequent to June 30, 2019:

During the three months ended June 30, 2019 and to date, the Company completed and advanced a number of key milestones for its 100%-owned Madsen Red Lake Mine ("**Madsen**").

- *Project finance and construction decision*

On August 7, 2019, Pure Gold announced¹ that it had secured a US\$90 million finance package (the "**Financing**") for Madsen, including a board decision to proceed with construction of the project with first gold pour expected by the end of 2020. The Financing is comprised of a credit facility (the "**Facility**") for US\$65 million, and a US\$25 million callable gold stream (the "**Gold Stream**").

The US\$90 million in proceeds from the Financing fully funds the initial capital costs to develop a mine at Madsen Red Lake based on the February 2019 Feasibility Study. Combined with the Company's existing cash resources, the Financing insures against cost overruns and provides flexibility to continue exploration and advance our new discoveries forward. The callable stream provides immediate cash to the Company allowing development activities to commence while we finalize our permit amendments and can be repurchased once the mine is in production and generating cash flow.

- *Completion of equity financing and addition of significant new shareholder and continued support from AngloGold Ashanti Limited*

On July 18, 2019, the Company closed² 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**").

Pursuant to the Offering, the Company issued a total of 62,714,000 units of the Company (the "**Units**"), at a price of \$0.55 per Unit, for aggregate gross proceeds of \$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 \$0.85.

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.

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, 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.

- *Exploration success continues*

Surface drilling at Madsen during the quarter continued to confirm and expand the Wedge deposit extents with several bonanza grade gold intercepts returned from initial 2019 exploration drilling. Surface drilling at the Wedge deposit demonstrated the potential for these zones to continue to grow, with gold intercepts returned both up- and down-plunge of the current mineral resource.

Drilling highlights include³:

- Infill and step-out drilling has been defined to upgrade and expand resources in the Wedge area. Drilling result highlights include:
 - **108.5 g/t gold over 1.0 metre** from drill hole PG19-643;
 - **94.6 g/t gold over 1.0 metre** from drill hole PG19-654;

- **13.8 g/t gold over 1.0 metre** from drill hole PG19-649.

Two drill rigs are currently active on the project with one rig currently targeting growth at the Wedge resource, and one rig testing the Fork EXT target.

- *Project Agreement completed with Lac Seul and Wabauskang First Nations*

On July 29, 2019, the Company announced the signing of a Project Agreement (the “**Agreement**”) with the Lac Seul and Wabauskang First Nations. Under the terms of the Agreement, Pure Gold acknowledges and respects the rights, history and interests that both the Wabauskang First Nation and the Lac Seul First Nation have in the region surrounding Madsen. In turn both First Nations acknowledge and support Pure Gold’s rights and interests in the development and future operation of Madsen. The Agreement provides for communication, cooperation, and collaboration between the First Nations and Pure Gold, and establishes a framework for support for current and future operations of the Madsen Red Lake Mine and defines the long-term benefits for the First Nations.

- *Listing on the London Stock Exchange*

Effective May 20, 2019, the Company’s common shares began trading on the London Stock Exchange under the symbol PUR.

Outlook

Pure Gold is focused on advancing high quality assets that host the key traits of economic mines: grade, scope, size potential and access to infrastructure in mining-friendly jurisdictions. Our key asset is Madsen which comprises in excess of 4,600 hectares of primarily patented mineral claims in the prolific Red Lake gold camp of Northwestern Ontario and hosts two significant former gold producers including the Madsen Mine with previous gold production of 2.6 million ounces.

Despite challenging market conditions, Pure Gold has secured access to approximately \$167.5 million (using 1C\$ = US\$.75) in funding in the last 5 months, including a US\$65 million credit facility (US\$10 million drawn to date) and a US\$25 million gold metal stream with Sprott Resource Lending (“**Sprott**”) and a \$47.5 million equity raise. Upon satisfactory receipt of permits and other customary conditions, the Company believes it has sufficient funds available to fund construction and development of the Madsen Red Lake Gold Mine (“Madsen”).

According to the Madsen feasibility study completed in February 2019, mine construction and development will require an estimated \$95 million, including contingency and start-up and working capital. In August 2019, we commenced the selection process to engage engineers to commence detailed engineering for the construction of surface works and mill upgrades and underground ramp and stope development. A detailed project schedule with finalized costing will be derived from the detailed engineering, which is expected to be completed in early October 2019, upon which the Company will embark on the construction phase of its development plan.

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

- Optimizing the project execution schedule, including detailed engineering, procurement and permitting and cost estimation;
- Continuing environmental studies and documentation to support the updating of existing permits and filing for additional permits that may be required;
- Commencing equipment and materials procurement;
- Commencing construction and upgrades of surface facilities, including mill upgrades, updates to the tailings facility and other surface works, in addition to the commencement of underground ramp and stope development; and
- Continuing surface exploration at deposits and targets outside of the feasibility study mine plan.
- Definition drilling to support detailed design

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, 2019. These documents can be found on the Company’s website (www.puregoldmining.ca) or on SEDAR at www.sedar.com. All dollar figures are expressed in Canadian \$.

	For the three months ended June 30, 2019	For the three months ended June 30, 2018	For the six months ended June 30, 2019	For the six months ended June 30, 2018
Total Revenue	-	-	-	-
Exploration Expenditures	\$ 1,957,783	\$ 7,288,670	\$ 3,604,264	\$ 14,907,936
Net Loss for the period attributable to shareholders	\$ 4,040,249	\$ 7,695,440	\$ 6,875,082	\$ 14,892,378
Total Comprehensive Loss for the period	\$ 4,040,249	\$ 7,695,440	\$ 6,875,082	\$ 14,892,378
Basic and Diluted Loss per Share	\$ (0.02)	\$ (0.03)	\$ (0.03)	\$ (0.06)

	As at June 30, 2019	As at December 31, 2018
Total assets	\$ 20.8 million	\$ 20.9 million
Current liabilities	\$ 2.0 million	\$ 1.0 million
Non-current liabilities	\$ 3.1 million	\$ 2.4 million
Cash dividends declared	\$ -	-

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 six months ended June 30, 2019. In addition, for further information please see Pure Gold's Annual Information Form for the fiscal period ended December 31, 2018. These documents can be found on the Company's website (www.puregoldmining.ca) or under the Company's profile on SEDAR at 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

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.

Pure Gold is a Canadian focused gold developer. The Madsen Red Lake Gold Mine has historical production of 2.6 million ounces of gold and a current indicated resource of 2,063,000 ounces gold at 8.9 g/t gold (in 7.2 million tonnes), an inferred resource of 467,000 ounces gold at 7.7 g/t gold (in 1.9 million tonnes), in both cases inclusive of mineral reserves, and benefits from existing infrastructure including a mill and tailings facility, paved highway access, and access to power, water and experienced labour. The recently released Feasibility Study for the Madsen Red Lake Gold Mine outlines an 800 tonne per day underground mining operation with a 12 year mine life, Probable Mineral Reserves of one million ounces of gold grading 9 g/t in 3.5 million tonnes, and a low initial capital cost of C\$95 million (US\$71 million), putting the Madsen Red Lake Mine firmly on the path to becoming Canada's next iconic gold mine.

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

Investor inquiries:

Adam Buchanan, Manager, Investor Relations

Tel: 604-646-8000

info@puregoldmining.ca

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 potential quantity and/or grade of minerals, potential size and expansion of a mineralized zone, proposed timing of exploration and development plans, the growth potential of the Madsen Gold Project and opportunities for scalability, planned mining methods, mineral processing and sources of power, expected annual production, potential profitability of the Madsen Gold Project at lower metal prices, expected capital costs, anticipated permitting requirements and timing thereof, expected development schedule, expected timing of the completion of the Preliminary Economic Assessment for the Russet South, Fork and Wedge deposits, potential conversion of inferred resources to measured and indicated resources, potential extension and expansion of mineral resources 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 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; 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.

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.

¹ See press release dated August 7, 2019 for further information, available at www.puregoldmining.ca or under the Company's Sedar profile at www.Sedar.com.

² See press release dated July 18, 2019 for further information, available at www.puregoldmining.ca or under the Company's Sedar profile at www.Sedar.com.

³ See press release dated July 30, 2019 for further details of exploration results during the quarter, available at www.puregoldmining.ca or under the Company's Sedar profile at www.Sedar.com.