Pure Gold Mining Inc. Announces Updated Mineral Resource Estimate for PureGold Mine

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- Multi-million-ounce, high-grade gold deposit reaffirmed by SRK
- Updated Life of Mine plan remains on track for release in Q4 2022

VANCOUVER, Aug. 10, 2022 - Pure Gold Mining Inc. (TSX-V:PGM, LSE:PUR) ("PureGold" or the "Company"), today announced an updated Mineral Resource Estimate ("MRE"), prepared by SRK Consulting (Canada) Inc. ("SRK") in accordance with the National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") for its 100% owned PureGold Mine near Red Lake, Ontario. With an effective date of December 31, 2021, this updated MRE ("Updated MRE") replaces the previous MRE dated February 2019 ("2019 MRE").

The Updated MRE is described in Table 1 below and includes:

- 1.65 million ounces of gold at 7.4 grams per tonne ("g/t") within 6.9 million tonnes in the Indicated Mineral Resource category, and

- 0.37 million ounces of gold at 6.3 g/t within 1.8 million tonnes in the Inferred Mineral Resource category.

The updated MRE will form the basis of a new Pre-Feasibility Study and updated Life of Mine plan, also being completed by SRK, which is expected to be released in the fourth quarter of 2022.

Mark O'Dea, President & CEO of PureGold, stated: "The thorough independent review and update led by SRK shows that the PureGold Mine remains underpinned by a multi-million-ounce high grade gold resource. The Updated MRE is based on a combination of deep geological understanding, closely spaced drilling, and first-hand observations of stope scale shapes and continuity. The team is confident that the forthcoming updated Pre-Feasibility Study and Life of Mine plan will demonstrate the near-term potential of the PureGold Mine and lay the foundation for future growth."

Table 1: Mineral Resource Statement for the PureGold Mine by Zone, with an effective date of December 31, 2021

Classification	Deposit - Zone	Tonnes	Gold Grade (g/t)	Gold Tr
	Madsen – Austin	4,147,000	6.9	914,200
	Madsen – South Austin	1,696,000	8.7	474,600
	Madsen – McVeigh	388,700	6.4	79,800
Indicated	Madsen – 8 Zone	152,000	18.0	87,700
	Fork	123,800	5.3	20,900
	Russet	88,700	6.9	19,700
	Wedge	313,700	5.6	56,100
	Total Indicated	6,909,900	7.4	1,653,000
	Madsen – Austin	504,800	6.5	104,900
	Madsen – South Austin	114,100	8.7	31,800
	Madsen – McVeigh	64,600	6.9	14,300
Inferred	Madsen – 8 Zone	38,700	14.6	18,200
	Fork	298,200	5.2	49,500
	Russet	367,800	5.8	68,800
	Wedge	431,100	5.7	78,700
	Total Inferred	1,819,300	6.3	366,200

Mineral Resource Statement Notes

- Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resources will be converted into Mineral Reserves in the future.

- Mineral Resources are stated as undiluted tonnes and grade above a 3.38 g/t gold cut-off grade captured within Mineable Stope Optimizer ("MSO") shapes (see description below) and have been adjusted to account for all mining depletion to the end of December 2021, and exclude material within a 2-metre buffer applied to the hanging wall and footwall of mined stope voids and a 20-metre crown pillar. All quantities are rounded to the appropriate number of significant figures; consequently, sums may not add up due to rounding.

For an overview long section image of the new block model for the PureGold Mine (Figure 1), click here: https://www.puregoldmining.ca/wp-content/uploads/2022/08/Figure-1-2022-PureGold-Mine-Resource-Block-Model-Lon

For an example image of the new geologic domain models for the PureGold Mine (Figure 2), click here: https://www.puregoldmining.ca/wp-content/uploads/2022/08/Figure-2-2022-PureGold-Mine-Resource-Domains-Rotatec

Key Highlights of the Updated MRE

- 77 new sub-domain wireframes were constructed with the specific aim of capturing new deeper understanding of the mineralized lenses.

- Capping levels were carefully determined for each of the sub-domains independently to maintain tight control over extreme high-grade values, which are not uncommon in this deposit, but had their range of influence substantially restricted.

- A multi-pass estimation strategy was employed requiring multiple assay composites from multiple drillholes to estimate block grades. A key level of confidence was introduced by restricting reported resources to only those tonnes captured within a mineable stope optimization ("MSO") process. This type of tool is becoming more commonly applied to underground resources to meet the Reasonable Prospects for Eventual Economic Extraction ("RPEEE") requirement in the CIM guidelines.

Summary Comparison of the Updated MRE with the 2019 MRE

The Updated MRE incorporates several updates to the methodology and input assumptions which collectively result in an estimate that the Company believes is more robust overall and aligns more closely with actual mining to date. The understanding of this deposit has been an iterative process over the past several years and has been informed by a vast geological dataset which includes over 1,700 new diamond drill holes and 40,000 new underground chip sample and test hole results and is supported by 18 months of continuous mining operations and underground development.

Indicated Mineral Resource	Updated MRE	2019 MRE
Tonnes	6,909,900	7,196,000
Gold Grade (g/t)	7.4	8.9
Gold Troy Ounces	1,653,000	2,063,000

Inferred Mineral Resource	Updated MRE	2019 MRE
Tonnes	1,819,300	1,880,000
Gold Grade (g/t)	6.3	7.7
Gold Troy Ounces	366,200	467,000

Updated Pre-Feasibility Study and Life of Mine Plan and Transition to Austin and South Austin Zones

The Company remains on track to release a new Pre-Feasibility Study and updated Life of Mine plan ("Updated PFS") by Q4 2022 which is also being led by SRK. The Updated PFS will incorporate several ongoing trade-off studies and will identify the best value-maximining path forward for the Company.

The Company is nearing the completion of mining in the McVeigh Zone and is currently transitioning operations into the Austin and South Austin Zones. Austin and South Austin together account for 89% of the PureGold Mine's contained gold ounces in the Indicated Resource category (see Table 1) and are characterized by simpler geometries (see Figure 2) and higher grades than McVeigh (see Figure 1). The Company expects operational performance to improve during this transition into higher grades, greater continuity and simpler stope geometries.

Updated Mineral Resource Estimation

Grade estimation for the Madsen deposit was conducted using Maptek's Vulcan software and employed a multi-pass estimation strategy and block size of 5x3x5m (sub-blocked to 0.5m resolution for volumetric reconciliation). Gold grade estimation was based on capped 1.5m composited assay data, with capping thresholds assessed for each of the mineralization sub-domains separately. As well, mineralization continuity and variogram analysis was assessed for each mineralization domain. All mineralization domain boundaries were treated as hard boundaries during the estimation process. Where localized grade control information (chip and test hole samples) were available from mined production areas, a localized search radius was used to constrain the area of influence of these samples to a 7.5x5x7.5m search radius. All other blocks in the mineral resource model were estimated from only diamond drill hole assay samples.

Grade estimation for the Fork, Russet and Wedge deposits was conducted using Seequent's Leapfrog Edge software and also employed a multi-pass estimation strategy and block size of 5x3x5m (sub-blocked to sub 0.5m resolution for volumetric reconciliation). Gold grade estimation was based on capped 2m composited assay data, with capping thresholds assessed for each mineralization domain. All mineralization domains were treated as hard boundaries during the estimation process. Mineral Resources were estimated solely from diamond drill hole assays.

Classification of Resources

The Updated MRE comprises Indicated and Inferred Mineral Resources, with no Measured Resources. Mineral Resources were classified as Indicated Mineral Resources if they were estimated with multiple drillholes, a minimum of 8 composites, and an average drillhole spacing less than 25m. All other blocks were classified as Inferred. To address the RPEEE, Mineral Resources were constrained using a MSO tool which generated optimized stope shapes using an assumed gold price of US$1800/ounce, a mining recovery of 95.0%, metallurgical recovery of 95.0%, and successive MSO runs at stope heights of 3, 6, and 12 metres. Operating cost assumptions include mining cost of $108.60/tonne ("t"), processing cost of $73.30/t, and General & Administrative ("G&A") costs of $54.10/t. Mineral Resources are stated as undiluted tonnes and gold grade above a 3.38 g/t cutoff.

Geologic Model

The PureGold Mine is developed on a structurally-controlled Archean orogenic gold system hosted in the same stratigraphic units and sharing the same alteration zonation and deformation history as other gold deposits in the Red Lake Mining District and also similar to many other major Archean-aged global gold districts. The deposit is hosted in several large zones developed along large multi-kilometer alteration and deformation corridors which host numerous gold occurrences and which the company believes have substantial exploration potential. Seven corridors have been identified through re-logging of core and mapping and the majority of the Updated MRE is hosted in portions of two of these. New mineralization domains modelled by SRK within these two corridors incorporate vein geometries encountered during drilling and mining of the deposit (Figure 2).

Updated Technical Report

The effective date of the updated Mineral Resource Estimate is December 31, 2021. A NI 43-101 Technical Report prepared by SRK will be filed on SEDAR within 45 days of this news release and will be available at that time on the Company website. This is expected to be followed by Pre-Feasibility study results, including a new life of mine plan, and supporting technical report in the fourth quarter of 2022.

Qualified Persons and NI 43-101 Disclosure

The Mineral Resource Estimate was prepared by Cliff Revering, P.Eng., CPAG, BE, Principal Consultant (Geological Engineering), SRK Consulting (Canada) Inc., an independent Qualified Person in accordance with the requirements of National Instrument 43-101 ("NI 43-101") and Mr. Revering has approved the disclosure herein.

Christopher Lee, P.Geo., Chief Geoscientist for the Company, is a Qualified Person within the meaning of NI 43-101 and supervised the geologic modelling which formed the basis of the resource estimation.

Terrence Smith, P.Eng. Chief Operating Officer 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.

PureGold is a Canadian gold mining company, located in the heart of Red Lake, Ontario, Canada. The Company owns and operates the PureGold Mine, which entered commercial production in 2021 after the successful construction of an 800 tpd underground mine and processing facilities. The PureGold Mine is centered on a forty-seven square kilometre property with significant discovery potential.

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

"Mark O'Dea"
Mark O'Dea, President & CEO

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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 Mine, including the proposed updated NI 43-101 Technical Report and timing and content of such Technical Report, including the life of mine plan; expectations regarding the effectiveness of new initiatives to improve stope access and result in increased throughput, improved grades and reduced costs in 2022; achievement of minimum targets with respect to ore production, average head grade and reduction in monthly operating costs by the end of 2022 compared to 2021; potential for extending the mine life of the PureGold Mine; the timing and results of the new Pre-Feasibility Study and updated Life of Mine Plan; the potential to convert resources to reserves; the transition of mining from the McVeigh Zone to the South Austin and Austin Zones; and 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", "progress", "confirms", "continue", "planned", "expect", "expectations", "expand", "enhanced", "increasing", "optimize", "project", "predict", "potential", "supports", "targeting", "intends", "believe", "improved", "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", "confirms", "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 liquidity and the Company's ability to continue as a going concern; mine closure and rehabilitation; failure to achieve estimates or material increases in costs; history of net losses and negative operating cash flow, indebtedness; interpretation of results at the PureGold Mine complex, including reserve and resource estimates may prove to be incorrect; 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 30, 2022 in the section entitled "Risk Factors", under PureGold's SEDAR profile at 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.